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Daily Report

East Asia

FBIS-EAS-90-242
Monday
17 December 1990

Daily Report
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FBIS-EAS-90-242 CONTENTS *17 December 1990*

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NORTHEAST ASIA

Japan

Discussion on Iraqi Situation, Role Continues ... 1
    Kaifu Willing To Facilitate Talks *[KYODO]* ... 1
    No More Aid Without 'Major Change' *[KYODO]* ... 1
    Last Group Leaves Baghdad *[KYODO]* ... 1
Foreign Ministry on USSR President's Visit *[KYODO]* ... 2
Kaifu Welcomes ROK-USSR 14 Dec Declaration *[KYODO]* ... 2
USSR To Hand Over Records on POW's 11 Jan *[KYODO]* ... 2
Export-Import Bank To Extend Aid to USSR *[KYODO]* ... 2
Oita Governor Urges Food Donations for RSFSR *[KYODO]* ... 3
Mitsubishi, Marubeni To Open Offices in USSR *[KYODO]* ... 3
Japan, DPRK Talks Continue in Beijing *[KYODO]* ... 3
    Talks 'Failed Again'; To Continue *[KYODO]* ... 4
    'Full-Fledged' Talks To Begin in Jan *[KYODO]* ... 4
Sakamoto: Tokyo 'Not Bound To Compensate' DPRK *[KYODO]* ... 5
Feb Visit to ROK by Emperor Said 'Impossible' *[KYODO]* ... 5
Okinawa To File Protest Over U.S. Exercises *[OKINAWA TIMES 14 Dec]* ... 6
Yomitan Citizens Protest U.S. Parachute Training *[RYUKYU SHIMPO 14 Dec]* ... 6
Agriculture Official Denies U.S. Rice Proposal *[KYODO]* ... 6
KYODO Obtains Documents on Nanjing Massacre *[KYODO]* ... 7
Japan, PRC To Sign Trade Pact Extension *[KYODO]* ... 8
Diet Approves Fiscal 1990 Supplementary Budget *[KYODO]* ... 8
Source: Kajiyama Offered To Resign After Remark *[KYODO]* ... 8

Mongolia

Diplomatic Ties With Venezuela Established *[AFP]* ... 9
Ownership of Labor Debated in Small Hural *[MONTSAME]* ... 9
Ubs Aymag Activists Announce Hunger Strike *[MONTSAME]* ... 9

North Korea

Delegation Back From Seoul High-Level Talks *[KCNA]* ... 9
    South's 'Row' Denounced *[KCNA]* ... 10
    Reporters Score Treatment *[Pyongyang Radio]* ... 10
South's Refusal of Nonaggression Pact Viewed *[KCNA]* ... 11
    Failure To Reach Accord Analyzed *[KCNA]* ... 12
    South Responsible for Failure *[Pyongyang Radio]* ... 12
    Seoul's 'Insincere Attitude' Viewed *[KCNA]* ... 14
Arrest of South Reporter Called 'Heinous' *[KCNA]* ... 14
Prosecution of South Dissidents Called 'Outrage' *[KCNA]* ... 15
Official Leaves for Beijing Talks With Japan *[KCNA]* ... 15
    Seoul's Demands on Talks Decried *[Pyongyang Radio]* ... 15
Academy of Sciences Signs Agreement With China *[KCNA]* ... 16
Crewmen Rescue Chinese Fishermen Off Taiwan *[KCNA]* ... 16
KCNA Reviews 17 Dec NODONG SINMUN ... 17
KCNA Describes Environmental Conditions ... 17
Book on Kim Chong-il Published in Pakistan *[KCNA]* ... 18

South Korea

No Tae-u Returns From Moscow, Gives Speech *[Seoul TV]* 18
  DLP Hails No Tae-u's Trip *[YONHAP]* 20
  Dailies Hail Joint Declaration *[YONHAP]* 20
  N. Reporter Criticizes Trip *[Seoul TV]* 21
Future of N-S High-Level Talks Assessed *[CHOSON ILBO 14 Dec]* 21
Soviet Expert Says DPRK Economy 'Shrank' *[YONHAP]* 22
Minister Comments on Funds for U.S. Troops *[YONHAP]* 23
Seoul Reports on North Korean-Japanese Talks *[Seoul Radio]* 23
Kaifu-No Summit Could Hasten Akihito's Visit *[YONHAP]* 24
* DPRK's Economic, Trade Difficulties Reported *[CHOSON ILBO 16 Oct]* 24

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

King, Queen Begin Five-Day Visit to Thailand *[Kuala Lumpur International]* 26
Counterfeit Passports for U.S. Entry Seized *[BERNAMA]* 26
Mahathir, Ghafar Hail 1991 National Budget *[Kuala Lumpur International]* 26
Joint Environment Committee With Singapore Set *[Kuala Lumpur International]* 26

Cambodia

Further Reportage on Supreme National Council 27
  Resumption of 1st Session Urged *[Phnom Penh Radio]* 27
  SPK Interviews Hun Sen 14 Dec *[Phnom Penh Radio]* 27
  Hun Sen in Paris 'on 21 Dec' *[Phnom Penh Radio]* 28
  Reaction to Sihanouk SNC Move *[SPK]* 28
  SNC Meeting Delayed Two Days *[AFP]* 29
  DK Backs Cochairmen Meeting *[Radio VONADK]* 29
  Hun Sen 'Agrees' to Paris Meet *[Radio VOK]* 30
  Invitation to DK Issued *[Radio VODK]* 31
  Invitation Accepted *[Radio VODK]* 31
Thai Ministry's Role in Talks Overviewed *[Bangkok THE NATION 15 Dec]* 31
Commentary Decries Hun Sen Meeting Call *[Radio VODK]* 31
1,250 SRV Troops Said Sent to Cambodia 6-9 Dec *[Radio VONADK]* 32

Indonesia

Defense Minister Warns of Threats in 10 Years *[Jakarta Radio]* 32
Finance Minister Assesses 1991 Economic Growth *[ANTARA]* 33
Gen Sutrisno Receives Singapore Army Chief *[Jakarta Radio]* 33

Laos

Reportage on Li Peng, PRC Delegation Visit 33
  Arrive in Vientiane 15 Dec *[Vientiane Radio]* 33
  Banquet Honors Chinese Visitors *[Vientiane Radio]* 34
  Li Peng, Kaysone Hold Talks *[KPL]* 36
  Qian, Phoun Hold Talks *[Vientiane Radio]* 37
  Economic Officials Hold Talks *[Vientiane Radio]* 37
  Li Peng Meets Phoumi, Nouhak *[Vientiane Radio]* 37
  Economic Relations Resumed *[KPL]* 38
  Li Peng, Assembly Head Meet *[KPL]* 38
  Li Peng Gives Message, Departs *[KPL]* 38
  Economic Agreement Signed *[KPL]* 39
Kaysone Phomvihan Receives Outgoing Soviet Envoy *[KPL]* 39

Philippines

Li Peng 'Will Not Oppose' Aquino Taiwan Visit *[Manila Radio]* ... 39
  Li Displays 'Understanding' Attitude *[AFP]* ... 39
Aquino Accepts Trade Secretary's Resignation *[THE MANILA CHRONICLE 17 Dec]* ... 40
Negotiator: Base Talks Take 'Turn for the Worse' *[Bangkok THE NATION 16 Dec]* ... 40
Manglapus on Nuclear Arms Detection, Bases Talks *[Manila Radio]* ... 41
Rebels Announce Christmas Cease-Fire *[AFP]* ... 41
  Further on Cease-Fire Announcement *[KYODO]* ... 41
20 NPA Rebels Killed in Davao del Sur *[Quezon City Radio]* ... 42
Right-Wing Rebels Suspected in 16 Dec Bomb Blast *[AFP]* ... 42
Release of 41 Political Detainees Announced *[PHILIPPINE DAILY INQUIRER 17 Dec]* ... 42
Orbos Told To Revamp Malacanang *[THE MANILA CHRONICLE 14 Dec]* ... 43
Police Chief Assures Readiness for Strikes *[Quezon City Radio]* ... 43
Communist Guerrillas Raid Cebu Town Armory *[Quezon City Radio]* ... 43
2 Soldiers Slain in Ilocos Norte Communist Raid *[DIYARYO FILIPINO 14 Dec]* ... 43
Communist Supporters in Negros, Mindoro Surrender *[Quezon City Radio]* ... 44
Finance Secretary Leaves for Saudi Arabia *[Quezon City Radio]* ... 44
Germany Reassures Importance of Investments *[MANILA BULLETIN 14 Dec]* ... 44

Thailand

Further Reportage on Coalition Government ... 45
  New Minister Appointments Announced *[Bangkok Radio]* ... 45
  Party Affiliations of Ministers Cited *[THE NATION 15 Dec]* ... 45
  King Urges Honesty Among New Cabinet *[THE NATION 17 Dec]* ... 46
  Army Chief 'Skeptical' of Stability *[BANGKOK POST 15 Dec]* ... 47
  Image Problems of Premier Noted *[THE NATION 17 Dec]* ... 47
  Cabinet Based on Self-Interest *[THE NATION 15 Dec]* ... 48
  Chatchai Coalition Called 'Vulnerable' *[THE NATION 15 Dec]* ... 49
  Cabinet Evokes 'Memories of Conflict' *[BANGKOK POST 15 Dec]* ... 50
  Prospects of Cabinet Changes Viewed *[THE NATION 16 Dec]* ... 51
  Papers Welcome Government, Ministers *[THAI RAT 15 Dec, etc.]* ... 54
Bunchu Dissents; Suchinda Supports Chatchai *[THE NATION 15 Dec]* ... 54
Chatchai Receives Hun Sen's Letter on SNC *[BAN MUANG 15 Dec]* ... 55
Malaysian King Arrives for 17-21 Dec Visit *[Radio VOFA]* ... 55

Vietnam

VNA Interviews Foreign Minister on Cambodia *[Hanoi Radio]* ... 56
Daily Rejects Statement by Its Editor in Chief *[Hanoi International]* ... 58
  Further on Editor's Statement *[Hanoi Radio]* ... 58
Chairman Do Muoi Receives U.S. Economists *[VNA]* ... 59
Do Muoi Receives Outgoing Romanian Ambassador *[Hanoi Radio]* ... 59
Do Muoi Attends Physicians, Pharmacists Congress *[Hanoi Radio]* ... 59
Trade With USSR, Europe, Indochina Viewed *[VNA]* ... 59

Japan

Discussion on Iraqi Situation, Role Continues

Kaifu Willing To Facilitate Talks

OW1712032390 Tokyo KYODO in English 0315 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—Prime Minister Toshiki Kaifu said on Monday that Japan hopes the United States and Iraq will hold direct talks to avert war in the Persian Gulf.

Kaifu, speaking to reporters in the Diet, was referring to an impasse between Washington and Baghdad over when to open direct negotiations to pave the way for resolving the Persian Gulf crisis.

The prime minister said the Japanese Government is willing to help facilitate the holding of such talks as soon as possible.

The United States has suggested any date from December 20 to January 3 for Secretary of State James Baker to go to Baghdad for a meeting with Iraqi President Saddam Husayn, but refused Iraq's sole proposal of January 12, which it says would be too close to the United Nations deadline for Iraq to quit Kuwait.

The U.N. Security Council adopted a resolution authorizing the use of force by U.N. member nations if Iraq does not remove its troops from Kuwait by January 15.

Iraq has occupied Kuwait since it invaded the oil-rich emirate on August 2.

No More Aid Without 'Major Change'

OW1712055490 Tokyo KYODO in English 0541 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—Finance Minister Ryutaro Hashimoto said Monday he does not think additional Japanese assistance will be necessary to back up U.S.-led multinational forces in the Persian Gulf or the front-line states facing major economic difficulties in the wake of the Gulf crisis.

Hashimoto, speaking at a session of the House of Councillors' Budget Committee, said Japan has borne sufficient burden and does not think additional measures will become a subject for consideration.

The finance minister, however, kept open the possiblity of more assistance in the event of war, saying that Japan will not provide more aid unless there is a major change in the Gulf situation.

Japan has so far pledged to provide 2 billion dollars in financial support for the multinational forces and another 2 billion dollars to the front-line states, particularly Egypt, Jordan and Turkey, which face enormous economic difficulties in the wake of the United Nations-approved economic sanctions against Iraq following its August 2 invasion and subsequent annexation of Kuwait.

Meanwhile, Prime Minister Toshiki Kaifu told reporters the same day that Japan hopes the United States and Iraq will hold direct talks to avert war in the Gulf region.

Kaifu, speaking to reporters in the Diet, was referring to an impasse between Washington and Baghdad over when to open direct negotiations to pave the way for resolving the Gulf crisis.

The prime minister said the Japanese Government is willing to help facilitate the holding of such talks as soon as possible.

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Last Group Leaves Baghdad

OW1712130890 Tokyo KYODO in English 1246 GMT 17 Dec 90

[Text] Baghdad, Dec. 17 KYODO—The last group of 35 Japanese private citizens left Baghdad on Monday for Japan, Japanese Embassy officials said.

Four Japanese Embassy staffers and family members, one Filipino, one Thai, and one Kuwaiti married to a Japanese national left with the group on a chartered Iraqi Airways flight to Bangkok.

With the group's departure, the only Japanese left in Iraq are 16 embassy personnel, a number of journalists and one private citizen who chose to remain in Baghdad of his own free will.

Among the 35 leaving Monday was Masahiro Tofukuji, general manager of Marubeni Corp.'s Baghdad branch and chairman of the local Japan Society.

He was granted permission to leave Iraq when former Japanese Prime Minister Yasuhiro Nakasone visited Baghdad in early November to seek Japanese hostages' release but refused to go back to Japan until all Marubeni employees were freed.

Upon leaving Baghdad on Monday he was quoted as saying he "resented the Japanese Government's diplomacy of following the United States."

The Japanese are scheduled to reach Tokyo on Tuesday morning on a Japan Airlines flight from Bangkok, the officials said.

Foreign Ministry on USSR President's Visit

OW1412160890 Tokyo KYODO in English 1537 GMT 14 Dec 90

[Text] Moscow, Dec. 14 KYODO—Soviet President Mikhail Gorbachev plans to visit Japan next April 15 for at most three days, Soviet Government sources said Friday.

It is convenient for Gorbachev to start his visit to Japan from April 15 because the day is a Monday, the sources said. There is a possibility that the Soviet leader will be unable to visit cities other than Tokyo because of the tight schedule but the Soviet Government will study the situation further, the source said.

Gorbachev will be the first Soviet leader ever to visit Japan.

A territorial dispute over a string of islands off Hokkaido that the Soviets seized from Japan at the end of World War II has been a stumbling block to improved bilateral relations.

Gorbachev has told a Japanese newspaper that he is ready to discuss "everything" with the Japanese leadership when he visits Japan, suggesting that he is prepared to talk about the territorial dispute.

Japanese Foreign Ministry sources said the Japanese Government has not yet heard directly from the Soviet Union when Gorbachev will arrive in Japan. Foreign Minister Taro Nakayama will discuss the schedule of the Soviet president's visit next spring when Nakayama visits Moscow, the sources said.

However, the timing of Nakayama's own visit to the Soviet Union has not yet been fixed, the Japanese sources said.

Gorbachev will likely visit the graves of Japanese war detainees in the suburbs of Moscow before he visits Japan next April.

Aleksandr Kirichenko, a senior official at the Institute of Oriental Studies of the Soviet Academy of Sciences, spoke of a possible planned visit by Gorbachev to graves of Japanese when talking to the leader of a former Japanese internees group, the sources said.

Some 600,000 Japanese soldiers captured by Soviet troops in the closing days of World War II were sent to forced labor camps, mostly in Siberia, and about 10 percent of them reportedly died while in detention.

Kirichenko visited Japan in early December to deliver a list of Japanese prisoners of war who had died in the Soviet Union.

Former Japanese detainees and their families have demanded that the Soviet Union apologize for the detention. Soviet leaders have not officially referred to the detention and forced labor of Japanese in Siberia after the end of World War II.

Kaifu Welcomes ROK-USSR 14 Dec Declaration

OW1512032790 Tokyo KYODO in English 0302 GMT 15 Dec 90

[Text] Tokyo, Dec. 15 (KYODO)—Prime Minister Toshiki Kaifu on Saturday welcomed a joint declaration signed in Moscow on Friday by South Korean President No Tae-u and Soviet President Mikhail Gorbachev.

Kaifu told reporters that he appreciates the declaration as a move toward a detente in Asia.

No and Gorbachev called for an end to the cold war on the Korean peninsula and promoted unification of the divided Koreas in the joint declaration.

A Foreign Ministry spokesman on Friday night said the declaration has historic significance and will help relax tensions on the Korean peninsula.

USSR To Hand Over Records on POW's 11 Jan

OW1612131590 Tokyo KYODO in English 1226 GMT 16 Dec 90

[Text] Yamagata, Dec. 16 KYODO—The Soviet Union will hand over to Japan on January 11 documents on some 2,000 Japanese prisoners of war who died in Tayshet, Siberia, after the end of World War II, a group of former Japanese internees said Sunday.

The All-Japan Former Internees' Association said the Soviet-Japan Mutual Understanding Association, a private Soviet friendship group headed by Aleksey Kirichenko, agreed to provide the documents in Tsuruoka, the northern Japanese city where the internees' organization is based.

According to the Japanese group, some 3,800 Japanese prisoners of war died in the Tayshet District, northwest of Lake Baykal. A list of 1,444 of them was presented by the Soviet association to the Japanese side December 5.

The Soviet association agreed to provide Japan by next October with all documents on some 600,000 Japanese detained by Soviet authorities in Siberia after the end of World War II.

Of the total Japanese prisoners of war, 60,000 died while in detention, according to Kirichenko, director of the International Cooperation Department at the Oriental Studies Institute of the Soviet Academy of Sciences.

Export-Import Bank To Extend Aid to USSR

OW1512034090 Tokyo KYODO in English 0328 GMT 15 Dec 90

[Text] Tokyo, Dec. 15 (KYODO)—The government is preparing a food aid package to the Soviet Union, which is suffering from a grave food shortage, by making the use of an investment system by the Export-Import Bank of Japan, government sources said Saturday.

Foreign Minister Taro Nakayama will sound out the Soviet side about the planned food aid when he visits Moscow next month, they said.

The assistance through the bank is usually loans for exports or untied loans. Japan usually offers food aid through the bank's untied loans only when they are aid cases in cooperation with the World Bank's assistance.

But since the Soviet Union is not a member of the World Bank, the Japanese planned food aid will be likely to be in the form of an export loan, the sources said.

The bank's export loan covers only Japanese-made products, and therefore, even if the Japanese food aid is provided, it would not include rice and barley, because they are not items of Japanese export.

The aid would cover tinned food, wheat flour, and other foodstuffs, they said.

But export loans are almost on a commercial basis, with an interest rate of 7.9 percent per annum at present and its repayment period for five years in principle.

This compares with untied loans with lower interest rates for a 15-20 year repayment period.

Thus, Moscow may not take the planned food assistance as an aid and refuse to accept it, observers said.

The government has to choose the assistance through the Export- Import Bank because the Soviet Union is not among countries covered by Japan's Official Development Assistance (ODA) program, the sources said.

The designation of such food aid to the Soviets by using untied loans would be possible only if treated as an exceptional case, and such treatment requires approval at a meeting of finance ministers and central bank governors of the Group of Seven (G-7) industrialized nations.

The G-7 meeting is expected to take place in late January for discussions on economic assistance to the Soviet Union, the sources said.

But Japan should offer the food aid as quickly as possible and the government is choosing the means of an export loan, they explained.

Oita Governor Urges Food Donations for RSFSR

OW1512110990 Tokyo KYODO in English 1034 GMT 15 Dec 90

[Text] Oita, Dec. 15 KYODO—Gov. Morihiko Hiramatsu of Oita called on the people of his prefecture Saturday to donate money for food aid to the Russian Republic [RSFSR].

Oita Prefecture, in southern Japan, and Russia, the Soviet Union's largest and most populous republic, have been promoting cultural exchanges since Hiramatsu visited the republic in June.

The prefectural government, responding to the serious food shortage in the Soviet Union, asked the republic what it needs most and was told that meat is in the shortest supply, prefectural government officials said.

The governor plans to collect a total of 10 million yen from prefectural residents to buy meat, which Oita will send to the republic in January.

Mitsubishi, Marubeni To Open Offices in USSR

OW1512080090 Tokyo KYODO in English 0736 GMT 15 Dec 90

[Text] Tokyo, Dec. 15 KYODO—Mitsubishi Corp. and Marubeni Corp., two major Japanese trading houses, will establish the first foreign offices in Vladivostok, the Soviet Union's main Pacific port and the biggest city in the Soviet Far East, next spring, company officials said Saturday.

Vladivostok, the home port for the Soviet Pacific fleet, has been off limits to foreigners since World War II, but the Soviets have decided to open it and other major ports in march to promote Western trade and investment.

With Mitsui and Co., Sumitomo Corp., and other firms hoping to advance into the area, Vladivostok has the potential to become a hub of business activity in the Soviet Far East, they said.

Japan, DPRK Talks Continue in Beijing

OW1512144190 Tokyo KYODO in English 1427 GMT 15 Dec 90

[Text] Beijing, Dec. 15 KYODO—Japan and North Korea failed to agree Saturday on an agenda for full-scale negotiations to establish diplomatic relations but will extend their third round of preparatory talks through Sunday and keep trying, Japanese officials said.

The two sides explained their basic positions on the agenda for the full-scale talks, the Japanese officials said.

No details were disclosed but North Korea is believed to have proposed that two unresolved issues—North Korea's demand that it be compensated for its postwar "losses" and Japan's demand that North Korea allow international inspections of its nuclear facilities—be discussed at the full-scale negotiations.

The Japanese delegation rejected this proposal, the Japanese sources said.

Japanese officials said the North Korean side spoke emphatically and that the talks were held in a strained atmosphere.

The two sides agreed to continue the talks, held Saturday at the North Korean Embassy, on Sunday at the Japanese Embassy, the Japanese officials said.

Japan and North Korea initiated the preliminary talks in early November. North Korea has demanded that Japanese compensation for both its 1910-45 colonial rule of the Korean peninsula and for the "losses" Pyongyang says Japan has inflicted on its people in the ensuing 45 years be on the agenda at the full-scale negotiations.

Japan paid compensation only for the colonial period when it normalized relations with South Korea in 1965.

Japan has demanded that North Korea allow its nuclear facilities to be inspected by the International Atomic Energy Agency to ensure that they are being used only for peaceful purposes before the two countries fully normalize their relations.

Japan's delegation at the preparatory talks is led by Sakutaro Tanio, director general of the Foreign Ministry's Asian Affairs Bureau, while the North Korean delegation is led by Chu Ching-kuk, chief of the North Korean Foreign Ministry's first bureau, which is responsible for Asian affairs.

Talks 'Failed Again'; To Continue

OW1612065790 Tokyo KYODO in English 0634 GMT 16 90

[Text] Beijing, Dec. 16 KYODO—Japan and North Korea failed again Sunday to agree on an agenda that would pave the way for full-scale negotiations on normalizing relations between the long-time East Asian adversaries, but decided to meet again Monday.

The third round of preliminary talks remained stalemated over North Korean demands that Japanese reparations include compensation for postwar "losses" and Japan's demand that North Korea open its nuclear facilities to international inspection.

The preliminary talks, the first official contact ever between the two governments, began in November.

Meeting at the Japanese Embassy here Sunday, North Korea continued to insist that their demands be placed on the agenda for regular talks, while Japan wants the issues settled in the preliminary sessions. The talks were held at the North Korean Embassy on Saturday.

Throughout the stalemate, North Korea has demanded compensation for both Japan's 1910-45 colonial rule of the Korean Peninsula and for "losses" Pyongyang says Japan has inflicted on its people in the ensuing 45 years.

Japan compensated South Korea for only the colonial period when Tokyo and Seoul normalized relations in 1965, providing a total of 500 million dollars in loans and grants.

Japan has demanded that North Korea allow its nuclear facilities to be inspected by the International Atomic Energy Agency to ensure that they are being used only for peaceful purposes.

Japan's delegation at the preparatory talks is led by Sakutaro Tanino, director general of the Foreign Ministry's Asian Affairs Bureau, while the North Korean delegation is led by Chu Ching-kuk, chief of the North Korean Foreign Ministry's First Bureau, which is responsible for Asian affairs.

After the meeting, a Japanese delegation source said both sides showed a "sincere and eager" attitude toward breaking the deadlock.

The source, however, said it is not certain whether the two countries will be able to reach an agreement Monday on the agenda for the full-fledged normalization talks.

The source added that Japan will stick to its position over the agenda because it is "a vital and substantial problem."

'Full-Fledged' Talks To Begin in Jan

OW1712072390 Tokyo KYODO in English 0702 GMT 17 Dec 90

[Text] Beijing, Dec. 17 KYODO—Japan and North Korea agreed Monday that full-fledged negotiations on normalizing their relations will begin in Pyongyang in late January, Japanese delegation sources said.

The two countries will set the exact date for the first round of the negotiations through diplomatic channels.

A second round of the full-scale talks will be held in Tokyo and following that the negotiations will be continued in Beijing, the sources said.

Ambassadorial-level officials will represent the two sides in the negotiations.

The agreement came in the third day of the third round of preliminary talks held in the North Korean Embassy in Beijing between a Japanese delegation headed by Sakutaro Tanino, director general of the Foreign Ministry's Asian Affairs Bureau, and a North Korean delegation led by Chu Ching-kuk, chief of the North Korean Foreign Ministry's first bureau.

Japan and North Korea have never had diplomatic ties. Japan's 36-year colonial rule of the Korean peninsula ended in 1945 with the Japanese surrender to the allied forces. Japan established full diplomatic relations with South Korea, the arch-rival of North Korea, in 1965.

Japan and North Korea held the first round of the preliminary talks in November to pave the way for the full-scale normalization negotiations in accordance with a tripartite agreement among Japan's ruling Liberal Democratic Party, the Japan Socialist Party, and North Korea's governing Korean Workers' Party.

In a joint declaration issued in late September in Pyongyang, the three parties urged their respective governments to initiate the talks on normalizing bilateral ties in November.

The declaration also said the three parties consider that Japan should apologize to and compensate North Korea for the losses suffered by the Korean people in the 45 years following the end of the war as well as in the 36 years of Japanese colonial rule.

The preliminary talks, however, hit a snag over the agenda for the full-scale negotiations.

The North Korean side demanded that Japanese reparations include compensation for postwar "losses," while the Japanese side insisted that North Korea open its nuclear facilities to international inspection.

Japan compensated South Korea for only the colonial period when it normalized its ties with Seoul, providing a total of 500 million dollars in loans and grants.

After the three days of the preliminary talks, Tanino said at a press conference that North Korea may elaborate on its position on the compensation issue during the full-fledged negotiations. He also said that the two sides agreed to continue discussing the issue of international inspection of North Korean nuclear facilities during the negotiations.

According to the sources, the two sides agreed to discuss comprehensive basic, economic, and international problems related to the normalization of the bilateral relations during the upcoming negotiations.

In a related development, Prime Minister Toshiki Kaifu told reporters in Tokyo that Japan intends to promote normalization talks with North Korea for the sake of stability and peace in Asia. Kaifu made the brief comment to reporters in response to a question over the agreement on the talks.

Japan plans to name Noboru Nakahira, former ambassador to Malaysia, as the chief Japanese delegate at the full-scale normalization negotiations, government sources said. Nakahira served as head of the Northeast Asia division of the Foreign Ministry's Asian Affairs Bureau, which is in charge of Korean affairs, for two and a half years from December 1970.

Sakamoto: Tokyo 'Not Bound To Compensate' DPRK

OW1712122790 Tokyo KYODO in English 1209 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—Chief Cabinet Secretary Misoji Sakamoto said Monday the government is not bound to compensate North Korea for its "losses" in the postwar period, despite a call by parliamentarians from both countries that it do so.

"Our position is that we are not constrained by the agreement between the Liberal Democratic Party, the Japan Socialist Party, and the Korean Workers' Party," the government's spokesman said in announcing the start of formal negotiations next month on establishing diplomatic ties.

"We will clearly say yes or no," Sakamoto told a regularly scheduled news conference when asked about Japan's approach to the upcoming negotiations on the compensation issue.

Parliamentarians representing the three parties issued a joint declaration in September urging Tokyo to pay full compensation for the 36 years of colonial rule as well as for losses "inflicted upon the North Korean people in the ensuing 45 years."

The Japanese Government reacted sharply to news of the joint declaration, saying it would not be bound by its terms.

Sakamoto said the agenda for normalization talks also includes compensation for Japan's colonial rule from 1910-1945, economic cooperation, North Korean permission for international experts to inspect its nuclear facilities, and the legal status of North Korean residents of Japan.

Sakamoto said he expects the pace of negotiations will depend in part on international developments. "We are finally at the starting line. Our hope is that talks will be friendly, but there are many difficult items that require hard work from both governments," Sakamoto said.

Offering reassurance to Seoul, which has expressed caution over the improvement in relations, Sakamoto said Tokyo will keep in mind the situation on the entire Korean Peninsula during the negotiations. He also pledged to inform all concerned countries of developments during the talks.

Japan established relations with South Korea in 1965 after agreeing to provide 500 million dollars in loans and grants as compensation for its colonial rule. But Tokyo has never had relations with North Korea, a bitter enemy of the South since the Korean war broke out in 1950.

The first round is scheduled in Pyongyang, with the second round to take place in Tokyo. Further talks are planned in Beijing.

Feb Visit to ROK by Emperor Said 'Impossible'

OW1712062290 Tokyo KYODO in English 0451 GMT 17 Dec 90

[Text] Seoul, Dec. 17 KYODO—South Korea is considering a February visit by Japanese Emperor Akihito if the legal status of Japan's Korean resident minority can be satisfactorily cleared up during an early January visit by Prime Minister Toshiki Kaifu, the South Korean daily CHOSON ILBO said Monday.

Quoting a high ranking government official, the CHOSON ILBO reported that South Korean President No Tae-u would discuss a visit by the emperor during Kaifu's visit.

The unnamed official explained that Seoul would look for a satisfactory resolution to the issue of the Korean minority's legal status in Japan and a settlement to past Japan-South Korean problems, as agreed during No's visit to Japan in May.

The official said Seoul would treat a resolution of the status of Koreans in Japan as a general step toward establishing future friendly relations and look into a visit by the emperor, the daily said.

The Japanese Embassy in Seoul, however, said they had not received any information about the CHOSON ILBO report, adding that it would be impossible to arrange such a visit by February.

Tokyo announced at a Japan-South Korea ministers meeting in November that Korean residents would no longer be fingerprinted, as is required of other foreign residents over 16 years of age, as soon as an alternative means of registration and identification can be developed.

Okinawa To File Protest Over U.S. Exercises

OW1412150190 Naha OKINAWA TIMES in Japanese 14 Dec 90 Evening Edition p 1

[Text] On the morning of 14 December, Okinawa Governor Ota met with a group of people led by Koei Neho, chairman of the Japan Communist Party Prefectural Council, who came to file a complaint on live ammunition firing exercises over a prefectural highway. The governor told them: "I would like to convey my objection to the exercises using live ammunition. Regarding the recent exercise, I will have the director of the Governor's Executive Office file a request with the local U.S. forces so that the exercise will be suspended." He thus reiterated his strong position on the military base issue. This is the first time that he has received such a request since his election.

In addition to chairman Koei Neho, meeting the governor were six Prefectural Assembly members—Kameichiro Uehara, Seishu Miyasato, Sogi Kayo, Hisako Hokama, Jinsuke Oyakawa, and Saku Miyara.

At the meeting, Chairman Neho said: "As Okinawa is used as a base for bombers flying to the Middle East and the Middle East situation is becoming increasingly precarious, exercises must not be allowed. They could lead to a nuclear war. We hope you will do all you can to stop them; it is necessary to safeguard the life and security of the people."

Yomitan Citizens Protest U.S. Parachute Training

OW1512045790 Naha RYUKYU SHIMPO in Japanese 14 Dec 90 Morning Edition p 1

[Text] The 1st Special Forces (Green Berets) of the U.S. Army in Okinawa conducted parachute drop training at the Yomitan Auxiliary Airport on the afternoon of 13 December. It was the 16th training exercise since early this year. The parachute drop training began at around 1430 with three soldiers jumping out of hovering CH-53 Marine helicopters, and was completed at 1551 after 40 soldiers dropped on the airfield. About 40 local residents assembled and staged a protest rally, appealing for the halt of the training and the removal of training facilities.

The Green Berets also conducted parachute drop training on 6 December. As a result, they successively conducted the training during the past two weeks. In addition, U.S. forces in Okinawa, which conducted live shelling training across prefectural highway No. 104 on 7 December, have said that they would resume the training on 18 December. Thus, U.S. forces in Okinawa are stepping up their training in the wake of the gubernatorial election.

Regarding the 13 December parachute drop training, U.S. forces on Okinawa had said that they would undertake the training from 1400 to 1500 on the afternoon of 13 December. The residents opposed to the training began assembling at the entrance to the airport at 1300.

Eitoku Iha, a member of the Okinawa Prefectural Assembly and Keizo Yasuda, an assistant village master, made their appearance at the protest rally.

Helicopters, which took off from Torii Communications Facility, hovered in the air for more than 30 minutes, checking the wind direction. When the training began, the residents protested by sounding sirens.

During the protest rally, the residents sought the responsibility of the state, demanding "the implementation of a plan to convert the airport to civilian use." Speaking at the protest rally, Mr. Yasuda stressed: "The Okinawa Prefectural Government will hold a session of the Construction Committee early next year. Let us strive to utilize the Yomitan Auxiliary Airport as productive land at the earliest date."

Agriculture Official Denies U.S. Rice Proposal

OW1712102590 Tokyo KYODO in English 0817 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—A senior Agriculture Ministry official denied Monday a U.S. proposal cited by a senior ruling party official that Japan lift its ban on rice imports gradually.

"There is no such proposal," said Shigeru Motai, vice minister of agriculture, forestry and fisheries, in a press conference.

Michio Watanabe, a leader of one of five factions in the Liberal Democratic Party, reportedly said Sunday that the United States is proposing that Japan begin importing 300,000 tons of foreign rice a year and increase the volume by 10 percent each year for a decade.

Motai also flatly turned down speculation that secret bilateral talks are now under way between Japan and the United States over the rice issue, saying that Tokyo will make "all-out efforts" to maintain self-sufficiency in rice even at global trade talks slated to resume early next year.

The world trade talks, known as the Uruguay Round, are intended to draft new rules on free trade in agriculture and 14 other sectors. Japan has put top priority on defending its near total ban on rice imports in the Uruguay Round.

KYODO Obtains Documents on Nanjing Massacre

OW1712080990 Tokyo KYODO in English 0658 GMT 17 Dec 90

[By Masaru Imai and Susanne Ganz]

[Text] Bonn, Dec. 17 KYODO—Newly declassified documents held in Germany contain eyewitness accounts by German diplomats of rape, looting, and indiscriminate slaughter of citizens in Nanjing of China at the time of the alleged massacre there by the Japanese Imperial Army.

Copies of the documents, kept by the former government of East Germany, were obtained by KYODO NEWS SERVICE.

The Japanese army entered Nanjing on December 13, 1937 after a few days of fighting, and during the sacking of the city between then and January 1938 about 42,000 civilians were killed, according to estimates quoted at the Tokyo War Crimes Trials.

The German documents, which describe the events as an "atrocity" and a "mass killing," also say, however, that in the beginning the plundering of the city was carried out by Chinese soldiers.

They say that the Kuomintang (Chinese Nationalist) Government and the Chinese military leadership abandoned the defense of their own people, and must also be seen from a critical stance.

The detailed reports sent by German diplomats in China to the Foreign Office in Berlin shed new light on the massacre, according to historian Akira Fujiwara, professor at Hitotsubashi University in Tokyo, who called them "important new material."

Japan's Education Ministry has been criticized in recent years for playing down accounts of the massacre and other wartime actions by Japanese forces in high school history textbooks.

The documents, discovered among the files of the German Embassy in China, had been sent to East Germany and kept at the Central State Archives in Potsdam. Copies were provided to KYODO reporters who found them in the archives after being allowed access following the unification of Germany.

The diplomats' reports are based on eyewitness and contemporary secondhand accounts by Germans and other foreigners in Nanjing at the time. One report, dated January 15, 1938, describes Japanese soldiers slaughtering unresisting citizens in great numbers, raping women, and looting.

Although Japan and Germany were on friendly terms and shared an anticommunist stance based on the 1936 anti-Comintern pact, the German diplomats sharply criticize the events in Nanjing.

A report dated December 24, 1937, describes the Japanese as "having created a dangerous breeding ground for communism" and as "thwarting the German aim of stopping the spread of Communism."

A Diet member of Japan's ruling Liberal Democratic Party, Shintaro Ishihara, drew criticism from historians last month when he said in a magazine interview that the massacre was a story made up by the Chinese and was a "lie" which had tarnished the image of Japan.

Fujiwara, however, said, "being systematic, official documents, moreover collected by diplomats of a friendly nation, these reports show that the Nanjing massacre happened, even if there are still denials."

The documents comprise 190 mostly typewritten pages. Titled "Japanese-Chinese Conflict," they cover the period from December 1937 to December 1938, and include diplomatic reports and circulars exchanged between the Foreign Office in Berlin and the German Embassy in China. The embassy was moved to various locations during the period.

They also include a report acknowledging the failure of Germany's attempt to act as a mediator between Japan and the Kuomintang Government, in which Berlin sought to persuade the two sides to end their conflict.

One report gives a detailed description of an amateur documentary film made by a missionary in China, the Rev. John Magee of the American Episcopal Church Mission, a witness in the Tokyo War Crimes Trials.

At the end of World War II the embassy's official documents, comprising hundreds of thousands of pages in 4,400 volumes covering the years 1864 to 1945, were left in the German Embassy building in Beijing.

At the beginning of the 1950s they were sent from China to the former East German Government. Until recently access to the files was strictly limited to East German researchers.

Most of the reports on the Nanjing massacre carry the signature of an official named Rosen at the German Consulate in Nanjing.

Rosen fled to Shanghai by ship on the Yangtze River on December 24, 1937, 11 days after Japanese troops entered the city, but on his way to the harbor describes seeing "mounds of corpses dressed in civilian clothes."

He returned to Nanjing on January 9, 1938 and in a report dated March 4 wrote that while "walking around in the open country, corpses lying about here and there in the fields and the watercourses can be seen, not to speak of the coffins standing around everywhere for weeks, even at the street corner close to the embassy's office building."

There are also accounts given by the chief of the Nazi party's branch office in Nanjing, who stayed in the city and reported witnessing indiscriminate slaughter and outrages, and by a reporter of REUTERS NEWS AGENCY who saw a mass execution of Chinese soldiers on the banks of the Yangtze River.

Although the documents give no concrete figure for the total number of victims of the massacre, an account dated March 4, 1938 refers to "about 30,000 corpses originating from the mass executions lying around in the harbor suburb of Hsiakuan."

Japan, PRC To Sign Trade Pact Extension

OW1712105890 Tokyo KYODO in English 1047 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—Japan and China will sign a final agreement Tuesday to extend their bilateral trade accord, due to expire at the end of this year, by five years, informed sources said Monday.

Under the agreement, Japan will export 8 billion dollars worth of plants and equipment to China during the five-year period, up sharply from 5.1 billion dollars shipped to the country between 1978 and 1990.

The volume of coal imports from China is also set to rise under the accord.

The long-term trade pact, which was launched to step up Japanese plant exports to China, as well as imports of crude oil and coal from China, was extended in 1979 to 1990.

Under the latest arrangement, annual oil exports from China's Daqing Oil Fields will remain at the current level of 8.8-9.3 million tons, while coking coal will rise from 1.4-1.6 million tons to 1.4-1.8 million tons.

Imported steaming coal will rise from the present 2.3-2.5 million ton level to 2.5-3.5 million tons.

Japan will increase by 16 the number of Chinese corporations eligible to import plants from Japan.

Ryoichi Kawai, chairman of the Japan-China Long-Term Trade Committee, a private trade promotion organization, will attend the formal signing of the trade accord with the Chinese delegation led by Shen Jueren, a vice minister of the Ministry of Foreign Economic Relations and Trade.

Diet Approves Fiscal 1990 Supplementary Budget

OW1712112190 Tokyo KYODO in English 1058 GMT 17 dec 90

[Text] Tokyo, Dec. 17 KYODO—The National Diet on Monday approved a 2,281 billion yen supplementary budget for fiscal 1990, ending next March 31.

The budget contains 130 billion yen, about 1 billion dollars, in financial support for the U.S.-dominant multinational forces in the Persian Gulf.

This will complete Japan's payment of the 2 billion dollars in aid to the forces arrayed against Iraq it promised in August and September.

The opposition-controlled House of Councillors voted down the budget, which the more powerful House of Representatives approved last Thursday.

The supplementary budget became law after representatives of the two chambers met to discuss their differences but failed to reach agreement.

Under the constitution, a lower chamber budget decision "shall be the decision of the Diet" when the two houses cannot agree.

The supplementary budget also provides 627.8 billion yen in spending for disaster relief, 459.3 billion yen in wage hikes for government employees, and 56.8 billion yen in support for operators of small retail stores.

With the 2,281 billion yen added, Japan's fiscal 1990 budget will swell to 68,517.8 billion yen.

Source: Kajiyama Offered To Resign After Remark

OW1712095290 Tokyo KYODO in English 0903 GMT 17 Dec 90

[Text] Tokyo, Dec. 17 KYODO—Justice Minister Seiroku Kajiyama, who angered African Americans by comparing them to prostitutes, once offered to resign over the comment, but was stopped by a senior Liberal Democratic Party official, a source close to Kajiyama said Monday.

Kajiyama told LDP Secretary General Ichiro Ozawa that he would tender his resignation, but Ozawa "forced" him to abandon the plan, the source said.

However, Ozawa denied at a news conference Monday that Kajiyama had consulted him on the matter. "The prime minister is in charge of ministers, and I don't interfere," he said.

The prime minister has sole authority to appoint his cabinet. In practice, however, the prime minister usually selects ministers from rosters presented by ruling party factions.

Both Ozawa and Kajiyama belong to the LDP's largest faction, founded by former Prime Minister Noboru Takeshita.

On September 21, a week after taking office, Kajiyama told reporters that foreign prostitutes in Tokyo are like blacks in America because they both ruin respectable neighborhoods. He made the comment the day after observing a crackdown on foreign women allegedly engaged in prostitution in the Shinjuku entertainment district in central Tokyo.

Political insiders say Kajiyama was tapped for the post in part because he once served as chairman of the National Safety Commission, or comptroller of the police, and it was thought he would be effective in overseeing security for Emperor Akihito's November 12 enthronement ceremony.

Appointing Kajiyama was also expected to be politically advantageous for Ozawa, who is trying to consolidate his position within the Takeshita faction for a future stab at the prime ministership.

Mongolia

Diplomatic Ties With Venezuela Established

HK1612045290 Hong Kong AFP in English 0442 GMT 16 Dec 90

[Text] Beijing, Dec 16 (AFP)—Mongolia, in line with its reform drive to open up to the outside world, has established diplomatic ties with Venezuela, an official report said Sunday.

The official NEW CHINA NEWS AGENCY said the two nations agreed Saturday to exchange ambassadors soon.

The Mongolian People's Revolutionary Party, which has ruled unchallenged since 1924, renounced its monopoly on power in April, but won the first free elections in the country in July to regain its leadership role.

The reformist communist leadership is anxious to distance itself from the radical change gripping the Soviet Union but has stepped up contacts with the West and other Asian countries.

Mongolia has established diplomatic relations with South Korea and has stepped up commercial ties with Japan, its leading trading partner after the Soviet Union.

Ownership of Labor Debated in Small Hural

OW0612131590 Ulaanbaatar MONTSAME in Russian 1442 GMT 4 Dec 90

[Text] Ulaanbaatar, 4 Dec (MONTSAME)—The question of whether or not a citizen's labor [rabochaya sila] is his personal property gave rise to serious arguments in the State Small Hural during the debate on changes in the civil code.

The Small Hural confirmed its previous decision not to include labor in the list of means a person could possess as personal property.

However the special opinion of State Small Hural member H. Samab, set down in the record of proceedings, points out that refusal to recognize a citizen's labor as his personal property enacts into law for another few years a situation under which the Mongolians are subjected to all kinds of labor mobility on the pretext of state interests.

Ubs Aymag Activists Announce Hunger Strike

OW0712075290 Ulaanbaatar MONTSAME in Russian 1435 GMT 5 Dec 90

[Text] Ulaanbaatar, 5 Dec (MONTSAME)—A group of activists belonging to branches of several new political parties and movements in Ubs Aymag (western Mongolia) has announced a hunger strike in Ulaangom City. According to an UNEN correspondent's report the main reason for this action was the fact that the aymag's authorities had not complied with the demand of the local branches of new parties and movements to resign en masse. The demand was made in a petition handed to the aymag's hural executive administrations a few days ago.

In response to the petition the Ubs Aymag leaders declared that the question of resignation will be resolved at a session of the aymag hural which it is planned to convene in early January 1991. They also proposed establishing a preparatory commission for the session, including representatives of new parties and organizations. But the response satisfied the authors of the petition. They announced a hunger strike as a sign of protest.

North Korea

Delegation Back From Seoul High-Level Talks

SK1412153290 Pyongyang KCNA in English 1458 GMT 14 Dec 90

[Text] Pyongyang December 14 (KCNA)—The North side's delegation led by Premier of the Administration Council of the DPRK Yon Hyong-muk returned here today by train after participating in the third North-South High-Level Talks held in Seoul. The delegation was met at Pyongyang railway station by Vice President of the DPRK Pak Song-chol, Vice Chairman of the

Committee for the Peaceful Reunification of the Fatherland Yun Ki-pok, Chairman of the Pyongyang Municipal People's Committee Choe Mun-son, and other officials concerned.

It was seen off in the southern portion of Panmunjom by the South side's officials concerned in North-South High-Level Talks.

South's 'Row' Denounced

SK1512052490 Pyongyang KCNA in English 0453 GMT 15 Dec 90

[Text] Pyongyang December 15 (KCNA)—The South Korean authorities are kicking up a row over the visit to some universities and a family by a few reporters of our side while covering the third round of North-South High-Level Talks in Seoul, branding it as a "surprise coverage" and "violation of the agreed points".

NODONG SINMUN today carries a commentary on this by its press group which has been to Seoul.

It says:

The South Korean authorities declared a super-alert, raising terrific outcries as if the system is collapsing owing to the activities of our reporters. They are slandering us with a hue and cry over "united front strategy", while letting their subsidized newspapers carry editorials and commentaries hurling mud at the news coverage by our side's reporters.

The South Korean authorities are defending their deed as something for the "safety" of our reporters and for keeping the "system" from being toppled by the North's "strategy".

This is a ridiculous jargon, indeed.

Does it mean that the social system of South Korea is a mud wall which can be destroyed by the news coverage of a few reporters? Their clamor is shameful, indeed.

The act of the puppets is mean and so is their subterfuge.

The South Korean authorities would be well advised to honestly confess that they are kicking up a shine because they fear reconciliation and unity between the peoples of the North and the South and the ever-growing atmosphere of reunification.

They should, of course, admit also that the South Korean "regime" is walking a road of crimes different from the people who desire reunification and it is like a castle on the sand which is utterly rejected by the people for this.

The South Korean authorities have hitherto advertised that South Korea is "an open society" where something like "freedom" is guaranteed.

The current racket, however, makes the people confirm again that South Korea is a fascist dictatorial society and the worst closed society where even meeting of kinsmen is blocked.

Reporters Score Treatment

SK1712105290 Pyongyang Domestic Service in Korean 0800 GMT 14 Dec 90

[Dialogue between Kim Myong-song and Yu Taek-hwan, Korean Central Broadcasting reporters who were in Seoul to cover the third North-South High-Level Talks, entitled "Reckless Anticommunist Smear and Slanderous Maneuvers"—recorded]

[Text] [Kim] How are you? I think many scandalous events took place during the third North-South High-Level Talks in Seoul. In particular, the South Korean authorities rantingly used smear and slander in the press and other media to provoke us.

As you know, we went to the third North-South High-Level Talks in Seoul expecting great successes toward peace and the peaceful reunification of the nation in compliance with the aspirations and expectations of the entire nation.

However, we saw many scandalous events taking place during our stay in Seoul after arriving from Panmunjom. From our first day in Seoul, the South Korean authorities ran amok with smear and slanderous maneuvers defaming and provoking us through the press and propaganda means.

While we were staying in Seoul, the 1990 year-end reunification music festival was held. The smear and slanderous maneuvers were carried out to defame and provoke us while the Pyongyang traditional musical troupe was staying in Seoul to attend this festival and while the North side's delegation to the third North-South High-Level Talks was staying in Seoul.

The mass media in South Korea, including HANGUK ILBO, CHUNGANG ILBO, and television stations, propagandized our revolutionary tradition by distorting it and carried out extremely provocative and vicious propaganda by carrying programs that instigated anticommunist confrontation.

[Yu] Yes, you are right. Besides, the South side's broadcasting station also arrogantly tried to provoke us. It was toward the end of the third North-South High-Level Talks. Our reporters came outside; a broadcasting car with loud speakers continuously shouted, "Down with communists!" "Don't be deceived by communists! Don't be deceived, don't be deceived!" and went around and then out of sight of the Shilla Hotel where we were staying.

[Kim] I heard that the shoutings from this car also were broadcast the next day. Viewing all this, we can say that such maneuvers are a premeditated act of those overoccupied with anticommunism and instigators of confrontation.

Furthermore, the South Korean press picked a fight with us by openly slandering our ideology and political system. Of course, we anticipated to a certain extent that the South Korean authorities would carry out such propaganda commotions. However, their commotions were far beyond our anticipation.

[Yu] That's right. As everyone recognizes, the press is said to have life only when it reports truth. In particular, the press in our divided country should take the firm position of seeking national reconciliation and unity between the North and the South and expediting reunification.

We can say that the smear and slanderous propaganda maneuvers of the South Korean press are contrary to the role of the press and challenge the unity of fellow countrymen and their aspiration to reunification.

[Kim] You are right. The smear and slanderous propaganda waged by the South Korean press are undoubtedly a product of the South Korean authorities' policy of confrontation and division.

The South Korean press' attitude about reporting the talks even while they were under way provoked us. Furthermore, the South side picked a quarrel with us over our reporters' activities and even disturbed their news coverage.

Since the North-South dialogue began, the South Korean authorities have attempted to use the dialogue for confrontation, raving about confrontation amid dialogue and competition amid dialogue.

The action of the South Korean authorities and South Korean press is undoubtedly designed to maintain division by pouring cold water over the passion for reunification enhanced in the North and the South, to instigate the consciousness of confrontation among the South Korean people and to realize the reunification under the liberal democratic system.

[Yu] You're right. A South Korean magazine recently wrote that the South Korean authorities, whatever the North says, are resorting to a psychological operation aimed at calming down the people's wishes and aspirations for reunification by setting off (?anti- North) propaganda bombs little by little.

HANGUK ILBO, CHUNGANG ILBO, and other South Korean papers wrote articles slandering our political system and distorting our revolutionary tradition. All these acts by the South side cannot be considered an act waged by only one or two men. This is linked to the South Korean authorities' position and attitude toward dialogue.

[Kim] I think this is why the North-South High-Level Talks ended without any agreement, disappointing all fellow countrymen. Such acts by the South side cast dark clouds over the future of North-South dialogue and reunification.

It is now time for the North and the South to advance along the road of reunification in unity, instead of confrontation. If the South side is interested in dialogue for reunification, even a slight degree, it should immediately discontinue the anticommunist confrontation commotion.

[Yu] You are right. I agree with you.

South's Refusal of Nonaggression Pact Viewed

*SK1512110890 Pyongyang KCNA in English
0958 GMT 15 Dec 90*

["Why Do They Oppose Adoption of Nonaggression Declaration?"]

[Text] Pyongyang December 15 (KCNA)—NODONG SINMUN today says that to adopt a nonaggression declaration between the North and the South is the urgent task of top priority for peace of the country and its peaceful reunification.

The declaration was not adopted at the third North-South High-Level Talks either owing to the unjustifiable attitude of the South side which hates its adoption, the author of the article says, and continues:

Why are the South Korean puppets so dead set against the adoption of a North-South nonaggression declaration? In a nutshell, it is because the No Tae-u group has the criminal scheme to aggravate the political and military confrontation and tensions between the North and the South and keep the U.S. troops and nuclear weapons in South Korea with it as a pretext.

If a nonaggression declaration whereby the North and the South vow not to invade the other party is adopted, the false propaganda about "threat from the North" will be brought to grief and, furthermore, the U.S. forces will find no justification to remain in South Korea. Fearful of this, the South Korean puppets who are prolonging their days with the backing of the U.S. imperialists by leaving South Korea the latter's colony and military base, oppose the adoption of the nonaggression declaration.

Another reason why the puppets are fearful of its adoption is that it will scuttle their wild design to "unify the country by prevailing over communism" with armed forces.

The South Korean puppets are working desperately to secure "upperhand in strength" through arms buildup, introduction of new-type weapons and large-scale war manouevres, openly crying for "restoration of the North" behind the scene of the dialogue with us. In the South Korean "Constitution" they define the whole of the Korean territory as theirs and impudently lay down a paragraph that they will pursue a reunification policy based on the "liberal democratic system". This reveals their wild ambition to invade the northern half of the country at any cost, in league with the U.S. imperialists. Their criminal design is inconsistent with the adoption of a nonaggression declaration intended to defuse the political and military confrontation between the North and the South and bring a turning point for reconciliation, cooperation and peaceful reunification.

Another reason why the puppets oppose the adoption of the nonaggression declaration is that its adoption would be an obstacle to the execution of their splittist "northern policy".

There is nothing strange in that the South Korean puppets dislike the adoption of a North-South nonaggression declaration, since they seek to achieve "unification through prevailing over communism" by breathing "liberalization" into the North through entreaty diplomacy and thus destroying the socialist system and "absorbing and annexing" the North.

The South side must stop the criminal act of creating difficulties in the way of North-South High-Level Talks and casting gloom on the prospect of reunification, remaining captive to the old concept of confrontation, and must positively respond to our sincere efforts for peace and peaceful reunification, urges the article.

Failure To Reach Accord Analyzed

*SK1612094190 Pyongyang KCNA in English
0817 GMT 16 Dec 90*

["Thief Cries 'Stop Thief'"—KCNA headline]

[Text] Pyongyang December 16 (KCNA)—Kang Yong-hun, chief delegate of the South side to the North-South High-Level Talks, at a "press conference" December 14, made a foolish attempt to shift the blame for the failure to reach any agreement at the third round of talks on to the other side and made provocative assertions, branding the North's proposal for nonaggression declaration as unbelievable "fiction" and part of the united front strategy to force the U.S. troops to withdraw from South Korea.

The spokesman of the "Democratic Liberal Party" ridiculously said it was regrettable that the high-level talks failed to bear fruit and that the North was trying to use the talks as a propaganda site.

This is a brigandish logic of those who seek confrontation and division and a shameless and ridiculous act resembling a thief crying "Stop thief," NODONG SINMUN today stresses.

The news analyst says:

The "declaration of nonaggression, reconciliation and cooperation between North and South" laid by the North side before the third round of North-South high-level talks is a basic document promising peace and nonaggression. It not only envisages full guarantee and measures for nonaggression but also takes into full consideration and incorporates the content of the "joint declaration of reconciliation and cooperation" proposed by the South side at the second round. The North's proposal does not mention the issue of the withdrawal of U.S. troops and nuclear weapons which the South side finds hard to accept.

Nonetheless, the South side at the third round came out again with the "agreement on the improvement of North-South relations" as it had done at the first round, and avoided adopting a nonaggression declaration, claiming that the issue of nonaggression declaration can be discussed after the "foundation" for the improvement of relations is laid through the adoption of the "agreement."

This means that the nonaggression declaration can be discussed only after the treacherous document for "two Koreas" labeled "agreement" is signed. Only the separatists can conceive such far-fetched argument [as received]

By refusing to accept our proposal for the adoption of a nonaggression declaration, the South Korean authorities themselves made it plain that their call for "confidence building" and "peace and unification" is a lie and an empty talk and their outcry over "threat from the North" is a fiction.

The utterances endangering the prospect of North-South dialogue and reunification obviously emanated from a criminal scheme to throw a wet blanket over the desire for reunification mounting in North and South, incite consciousness of North-South confrontation among the people, aggravate the tension, keep the U.S. troops and nuclear weapons in South Korea and "unify the country by prevailing over communism" by absorbing the North or by use of arms after securing "superiority of strength" with the help of U.S. forces.

No matter what brigandish sophism the South Korean authorities, who are accustomed to slandering the North, may resort to, they can neither impair the impartiality and reasonableness of our reunification-oriented position and our proposal to adopt a nonaggression declaration nor can they hamstring their influence. [as received]

South Responsible for Failure

*SK1712132290 Pyongyang Domestic Service
in Korean 0840 GMT 14 Dec 90*

[NODONG SINMUN 14 December commentary: "The South Korean Persons in Authority Should Be Held Responsible Before the Fellow Countrymen"]

[Text] The third round of the North-South High-Level Talks ended on 13 December.

According to the remarks of An Pyong-su, spokesman of our side's delegation, in a press conference, both sides held open talks on 12 December. In addition, they held in-camera talks to discuss issues. However, no agreement was reached.

As was reported, our side put forward a new epoch-making proposal, that a declaration of North-South nonaggression, reconciliation, and cooperation be adopted, to bring about a successful end in keeping with the desire of the fellow countrymen and to be helpful to settling questions concerning the peace and reunification of the country.

The South side, however, put forward once again a basic agreement on improving the relations between the North and the South, which it had put forward in the past, and invariably asserted that this agreement be adopted. After all, at the talks this time, the questions at issue are the question of adopting a declaration of North-South nonaggression, reconciliation, and cooperation, which our side newly put forward, and the question of adopting a basic agreement, put forward by the South side.

As for the declaration of North-South nonaggression, reconciliation, and cooperation, put forward by our side, this is a very positive and realistic proposal, which makes it possible to expedite full-dress talks quickly in a reliable atmosphere, after fixing a basic document promising peace and nonaggression, and which makes it possible to smoothly settle all questions presented on the agenda.

Under the circumstances where the North and the South are standing in grave political and military confrontation, and in which anxiety about aggression by the other side is a cause for distrust and misunderstandings, it is evident to everyone that, without securing a guarantee for peace and nonaggression, no question will be settled.

Our side's new proposal is legitimate since it profoundly considers and represents the South side's stand. Our side has so far repeatedly made concessions to the South side, with a view to bringing about results at any cost at the 3d round of talks in keeping with the great expectation and desire of the entire fellow countrymen.

Even at the contacts between the working-level delegates, we made a concession, thus giving up our first claim of adopting three documents. Instead, our forward-looking proposal urged that two of documents be discussed together and be put into practice simultaneously.

And, under the circumstances in which the South side has invariably claimed a single agenda, our side made a concession to the South side once again, thus putting forward a new proposal.

Considering the contents of the proposal put forward by our side, our side accepted the South side's claim, not to include the question of the withdrawing U.S. forces and nuclear weapons, which is difficult for the South side to accept, even though the question is at the core of our side's claim. Taking into consideration the South side's claim at the talks this time, our side expressed its readiness to supplement or delete the question from the draft of our side's agreement.

If the South side has the will to improve North-South relations and to settle questions concerning national peace and peaceful reunification, there is no reason for the South side not to accept our side's just proposal.

As for the basic agreement on improving North-South relations which the South has invariably assert at the talks this time, it imitates other country's agreement used for legitimating division. Therefore, even the beginning and the name of the South side's agreement have been division-oriented. And, its contents are based on the division-oriented theory of recognition of state and the theory of stages. Accordingly, no reunification-oriented content is included in its agreement.

Nonetheless, the South side is creating obstacles by maintaining its unreasonable proposal and by taking the attitude that a basic agreement should first be adopted to settle other questions.

To sum up the entire process of the two-days of talks, the differences between both sides are not a matter of the order discussion—adoption of a basic agreement first, and then adoption of a nonaggression declaration or discussion of the question of exchanges and cooperation first, and then discussion of the question of politics and military—but the matter of basic differences over the question of peace and peaceful reunification of the country.

In other words, our side takes the patriotic, nation-loving, and reunification-oriented stand to settle all humane questions together. The South side, however, has no interest in the question of peace and reunification. Still worse, it takes a traitorous and antireunification-oriented stand, idling away time merely with limited exchanges of people and materials by recognizing two Koreas through adoption of a basic agreement.

The question of peace in our country is an important question which should be primarily settled to remove the danger of war or of a nuclear war threatening the fate of the nation and to lay a precondition for peaceful reunification. Because the South side knows this fact, the top person in authority in the past expressed on several occasions their intention to adopt a nonaggression declaration. In addition, the South side put forth this question when the North-South High-Level Talks began.

Nonetheless, at the very moment when a declaration of North-South nonaggression, reconciliation, and cooperation should be adopted, the South side retreated and maneuvered to prevent the declarations from being adopted.

This is concretely shown by the fact that at the previous talks, the South side put the question of adopting a nonaggression declaration onto the National Assembly and the top person in authority; by the fact that at the talks this time, the South side tried to put this question off onto a so-called a subcommittee which is not yet formed; and by the fact that the South side put forward as a precondition that an agreement for improving relations should be signed to build up trust prior to adopting a declaration of North-South nonaggression, reconciliation, and cooperation.

The South side opposed adoption of a nonaggression declaration, while talking about the question of intentions and guarantees. A question does not lie with the intentions and guarantees themselves. Rather, the question lies with the impure stand of the South side.

Such a stand by the South side reveals its criminal attempt to constantly maintain the U.S. forces and nuclear weapons in South Korea under the pretext of confrontation and tension, while aggravating confrontation and tension without any agreement on nonaggression, and to absorb the North or to realize reunification by over coming communism based on the power of the U.S. forces.

The South Korean persons in authority have, in dialogue with us, opposed announcement of a nonaggression declaration. However, they have pursued a begging diplomacy, which asks other countries to end the cold war system on the Korean peninsula and to lead the North to peace, reunification, and openness. This is a very impure act aimed at forcing change in our system by the use of another's strength.

The 3d round of North-South High-Level Talks showed once again that no agreement can be reached in questions concerning reunification, unless the South Korean persons in authority change their antipeace and antireunfication stands.

It is very regrettable that no agreement has been reached at the 3d round of the North-South High-Level Talks.

The South side should be held responsible before history and the fellow countrymen for the results which once again disappointed the fellow countrymen watching the talks, and which put the future of the talks themselves in danger.

Seoul's 'Insincere Attitude' Viewed

SK1712055190 Pyongyang KCNA in English 0505 GMT 17 Dec 90

[Text] Pyongyang December 17 (KCNA)—NODONG SINMUN today comments on the insincere attitude of the South Korean authorities towards the North-South High-Level Talks.

The news analyst says:

At the time when the first-day session of the third round of the North-South High-Level Talks began in Seoul, many seats of the South side were vacant. Only 13 of the 33 suite members occupied their seats and the seat for a delegate was empty. No Tae-u, the chief executive of South Korea, made one delegate to the talks his retainer, leaving on a foreign trip for entreaty diplomacy, paying little attention to the inter-Korean high-level talks which would discuss important affairs of the nation.

During the whole period of the stay of our side's delegation in Seoul from the moment it passed through Panmunjom and headed for Seoul, the South Korean rulers conducted anti-communist propaganda insulting and slandering the dialogue partner, crying "don't wave your hands to the Communists", "don't be taken in by the Communists" and "Communism must be destroyed" by mobilizing even sound cars in streets and around the hotel.

The South Korean authorities would have never done such act, if they had the least intention to solve the question of peace of the country and its reunification through dialogue with us.

It was due to the South side's wrong attitude towards the dialogue, an attitude for confrontation and division, that no agreement conforming to the desire of the fellow countrymen was reached at the North-South High-Level Talks in its three rounds.

The South side responded to our proposal for dialogue not for the settlement of the important affairs of the nation through the North-South High-Level Talks but with the wild design to lead the North to "opening" and dare "absorb and annex" it in German way.

But the people of the South side who had been to Pyongyang for North-South High-Level Talks and North-South reunification soccer games clearly saw with their own eyes that no force could break the socialist system in the northern half of Korea where the leader, the party and the masses are united singleheartedly in a harmonious whole. This is the main reason why the South Korean rulers have returned to the pre-dialogue original point, stepping backward.

The South Korean authorities must clearly know that there will be no prospect for them, if they continue taking the road of confrontation and permanent division of the nation while persistently abusing the North-South High-Level Talks for their sinister aim.

Arrest of South Reporter Called 'Heinous'

SK1612091490 Pyongyang KCNA in English 0808 GMT 16 Dec 90

["Heinous and Reckless Fascist Rampage"—KCNA headline]

[Text] Pyongyang December 16 (KCNA)—The No Tae-u authorities on December 13 drove fascist police to whisk away and question a woman staffer of the monthly magazine MAL when she was leaving the Rev. Mun Ik-hwan's home with a script written by him to the North in letter style, with a view to carrying it in the new year issue of the magazine. On the following day, they searched the office of the magazine and seized the script.

This outrage committed under the very nose of our side's delegation staying in Seoul to participate in the third inter-Korean high-level talks is an outspoken hostile act against us and an unpardonable anti-national criminal act of throwing a wet blanket over the fellow countrymen's desire for reunification, says NODONG SINMUN in a commentary today.

The news analyst further says:

As for the seized script of Rev. Mun it leaves nothing to be called into question; in the script Rev. Mun recalled his prison life and visit to the North and appealed to the fellow countrymen in the North and the South to work for reunification.

Nevertheless, they walked off the woman staffer with the script and searched the magazine office for intending to carry it. This shows how heinous and reckless they are. If the authorities were to behave properly, they should have arranged a meeting between us and Rev. Mun, a visitor to the North. They, however, blocked our meeting with him and did not hesitate to commit such a criminal act of barring a publication from carrying an article on reunification.

This is an outrage that can be committed only by such enemy of reunification as No Tae-u.

There is no such fascist pandemonium and closed society in the world like South Korea where the people who call for democracy and vital rights not infrequently shed blood at the point of the fascist bayonet and meeting between fellow countrymen for reunification and publication of articles on reunification are prohibited and incriminated.

Although they try to stamp out the fellow countrymen's desire for reunification with repression, it is a miscalculation.

Prosecution of South Dissidents Called 'Outrage'

SK1612092990 Pyongyang KCNA in English
0814 GMT 16 Dec 90

["Outrage Against Patriotic Pro-Reunification, Pro-Democracy Forces"—KCNA headline]

[Text] Pyongyang December 16 (KCNA)—The South Korean authorities prosecuted Song Ka-sok, chairman of the "National Council of Student Representatives" (Chondaehyop), on the charge of "involvement in an anti-state organization" and demanded seven years of imprisonment for Kim Kun-tae, executive chairman of Chonminnyon, a heavier penalty than the first verdict. MINJU CHOSON today brands this as a fascist outrage against the patriotic pro-reunification, pro-democracy forces of South Korea and a reactionary offensive to block the activities of progressive organizations.

The news analyst says:

Song Kap-sok and Kim Kun-tae are patriots who conducted activities for independence, democracy and reunification. Their activities can by no means be incriminated or be made the target of repression.

No Tae-u, driven to the verge of destruction by the South Korean people's struggle against dictatorship and for democracy and national reunification, is making desperate efforts to stifle the patriotic forces through an unprecedented fascist offensive and prolong the fascist dictatorship. It is, however, a foolish attempt.

No Tae-u must look squarely at the will of the South Korean people and immediately release the illegally arrested patriots including Song Kap-sok and Kim Kun-tae.

Official Leaves for Beijing Talks With Japan

SK1412025690 Pyongyang KCNA in English
1522 GMT 13 Dec 90

[Excerpt] Pyongyang December 13 (KCNA)—A DPRK Foreign Ministry delegation led by director of a department Chu Chin-kuk left here today to attend the foreign ministries' director-level preliminary talks due in Beijing as part of the inter-governmental negotiation for the normalization of relations between the DPRK and Japan. [passage omitted]

Seoul's Demands on Talks Decried

SK1412135290 Pyongyang Domestic Service
in Korean 0830 GMT 13 Dec 90

[Unattributed Talks: "The Puppets' Presumptuous Act of Indecisiveness of Where To Sit and Where To Stand"]

[Text] As has already been reported, in an annual ministerial meeting between South Korea and Japan in Seoul on 26 and 27 November the South Korean puppets perpetrated the act of making an issue of our efforts to improve Korean-Japanese relations by preposterously babbling about so-called preconditions. This is an act of meddling in the issue of improving Korean-Japanese relations which has nothing to do with the puppets and is, therefore, a presumptuous act of the puppets who cannot distinguish where they should sit and where they should stand.

As is known worldwide, the normalization of Korean-Japanese relations is an issue of sovereignty which should be settled for peace in Asia and the rest of the world in conformity with the aspirations of the people of the two countries and in accordance with the independent will of the governments of Korea and Japan. Furthermore, the talks for normalizing the Korean-Japanese relations have proceeded based on the joint declaration adopted by the three political parties of Korea and Japan—which stipulated that Korea is one and that it should be reunified in a peaceful way.

This is why the people of the two countries of Korea and Japan, as well as the progressive people of the world, have actively supported our efforts for the normalization of Korean-Japanese relations. Nevertheless, by presumptuously meddling in our efforts for normalizing Korean-Japanese relations, the puppets are attempting not only to drive a wedge in the efforts to improve Korean-Japanese relations, but also to make the ongoing intergovernmental talks between Korea and Japan run off the present reunification-oriented track and put them on a split-oriented track.

Such sinister intent by the puppets has been vividly revealed in their so-called five-point considerations, the content of which includes that Japan should not establish diplomatic relations with us unless we sign an nuclear safety agreement with the Internationl Atomic Energy Agency [IAEA] and recognize the entity of South Korea and before they establish diplomatic relations with China.

By nature, the puppets are not in a position to call on us to sign a nuclear safety agreement. There are more than 1,000 U.S. nuclear weapons deployed in South Korea today, and our country, a country with no nuclear weapons, has been under the danger of nuclear attack. Therefore, the issue of our signing a nuclear safety agreement with the IAEA is directly related to the issue of withdrawing the nuclear weapons deployed in South Korea. Accordingly, this issue cannot be settled unless the United States promises that it will not threaten us with nuclear weapons. This is only too clear. This is why our stance, that we are ready to sign a nuclear safety agreement at any time if the U.S. nuclear threat has completely eliminated, is receiving support from the people of the world today.

Nevertheless, that the puppets who have turned South Korea into a nuclear armory of the United States are preposterously slandering us, while keeping silent on the issue of withdrawing nuclear weapons from South Korea is like a thief turning on the master. This tells us that the South Korean puppets are attempting to perpetuate the present state of division on the Korean peninsula by creating the danger of nuclear war.

As to the theory of recognizing the entity of South Korea that the puppets talk about, this also means that they are attempting to lead us to recognize the present state of division of Korea under a mutual agreement. Their presumptuous insistence that Japan should not establish diplomatic relations with us unless China establishes diplomatic relations with them, as well, is designed to lay a rail of permanent division in a bid to fabricate two Koreas. Thus, all the South Korean puppets' five-point considerations are designed to perpetuate the present state of division of the country.

Such manuevers by the South Koran puppets to check and block the moves for improving Korean-Japanese relations are indeed mean. Furthermore, the South Korean puppets babbled that the improvement of relations between Korea and Japan would result in hindering North-South dialogue. This is indeed preposterous.

The South Korean puppets—who have rejected all reasonable proposals that we have advanced in North-South High-Level Talks to arrange basic preconditions for peace and peaceful reunification—are attempting to drive a wedge in the improvement of Korean-Japanese relations while disguising themselves as the ones who were interested in dialogue. This only reveals that the South Korean rulers are shameless and brazen-faced swindlers and impostors.

In the ministerial meeting the South Korean puppets went so far as not to hesitate to beg the Japanese side to support their separate entry into the United Nations, clamoring that the entry into the United Nations with one seat is unrealistic. We cannot but be surprised at the flunkeyist and treacherous nature of the South Korean puppets who have viciously behaved in a bid to abuse the issue of entering the United Nations—which should be discussed and settled within the nation itself—in their schemes for permanent division.

The unwarranted act of the puppets showing no sincerity in the discussions of the issue of entry of the North and the South into the United Nations with one seat while attempting to enter the international organization separately has aroused strong indignation from the entire nation.

In a nutshell, the South Korean puppets do not want the improvement of Korean-Japanese relations and have fully revealed their vicious intention of seeking only confrontation, divison, and war. The nation will never tolerate these traitors. The South Korean puppets should distinguish where they should sit and where they should stand, should not meddle in others' affairs, and should act discreetly.

Academy of Sciences Signs Agreement With China

SK1512053090 Pyongyang KCNA in English 0458 GMT 15 Dec 90

[Text] Beijing December 13 (KCNA)—The 1991-1992 plan on scientific cooperation between the Korean Academy of Sciences and the Chinese Academy of Sciences was signed in Beijing on December 13.

The plan was signed by Kim Kyong-pong, president of the Korean Academy of Sciences, on a visit to China and Zhou Guangzhao, president of the Chinese Academy of Sciences.

Crewmen Rescue Chinese Fishermen Off Taiwan

SK0912093990 Pyongyang KCNA in English 0809 GMT 9 Dec 90

[Text] Pyongyang December 9 (KCNA)—Crewmen of the Korean trading ship "Hungnam" which was sailing to Osaka, Japan, from Gdansk, Poland, a few days ago, saved Chinese fishermen from danger in the Taiwan Straits.

When the ship was passing through the Straits, our crewmen found a boat sending strange light signals.

They confirmed that a Chinese fishing boat was endangered by an unexpected accident and some crewmen on the deck were making signals with electric torches.

The ship "Hungnam" took an emergency measure and steered toward the Chinese boat in distress and saved ten crewmen all in rough sea.

They were fishermen of a fishing boat "Minjiang" from Jinjiang County, Fujian Province, China.

Hungnam crewmen carried them to Shanghai.

Meanwhile, on December 5, workers of the Sinuiju chemical fibre complex saved Wang Hunan and two other Chinese fishermen from danger in the sea off Pidan (Silk) Island.

KCNA Reviews 17 Dec NODONG SINMUN

SK1712050190 Pyongyang KCNA in English 0433 GMT 17 Dec 90

[Text] Pyongyang December 17 (KCNA)—NODONG SINMUN today carries news that president Kim Il-song of the Democratic People's Republic of Korea received a message from Yasir 'Arafat, president of the state of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization, in reply to his solidarity message on the occasion of the "world day of solidarity with the Palestinian people."

The daily carries an article introducing the Taean heavy machine complex. Now it is marking with a great upsurge in the production the 29th anniversary of the publication of the historical work "On Improving the Guidance and Management of Industry To Fit the New Circumstances" by the great leader President Kim Il-song at an enlarged meeting of the party committee of the Taean electrical machinery plant on December 16, 1961.

An article of the daily says that the young communists in the incipient period of the Korean revolution achieved unity and cohesion in ideology and purpose with the sense of moral obligation closely united behind Comrade Kim Il-song, holding him in high esteem as the leader of the revolution.

Conveyed in the daily are voices of the world public highly praising President Kim Il-song as the great lodestar of the national reunification and actively supporting the proposal for founding the democratic confederal republic of Koryo.

The daily editorially calls for successfully carrying out the militant tasks advanced by the party by fully displaying the revolutionary spirit of self-reliance.

Econews of the daily includes reports about the successes registered by the Musan mining complex in the removal of overburden and a vigorous drive going on at rural communities to spread soil in fields.

The Sierra Leonean president met the DPRK ambassador to his country, according to the daily.

The daily in a commentary condemns the South Korean authorities' plan to introduce sea patrol planes worth over 840 million dollars into South Korea from the United States till late 1995 to retain "upperhand of strength".

A commentary of the daily denounces the South Korean authorities for approaching the question of peace of the country and its reunification with insincerity at the third round of the North-South High-Level Talks.

South Korean news columns of the daily include reports that students staged a demonstration against "Uruguay Round" and the authorities put the Rev. Mun Ik-hwan under house arrest.

The daily carries the first installment of the article laying bare the fact that the South Korean society is a dictatorial society and closed society without an equal in the world contributed by its press group which had been to Seoul accompanying our side's delegation to the third North-South High-Level Talks. It reports that the premier of the State Council of China visited the Philippines, the ministry of civil affairs and the general political department of the People's Liberation Army of China issued a notice on the new year day, the prime minister of Pakistan called for efforts to develop agriculture in the spirit of self-reliance, the Kenyan president outlined the home and foreign affairs, the Maldives president underscored the need to develop and modernize fisheries and the minister of interior of the USSR referred to the fight against crimes.

In an article titled "World Trade Talks Ended With No Success" the daily says that the imperialists once again revealed their unbridled avarice.

The daily introduces economic news from Madagascar, Ethiopia, Egypt, Iran, Zambia, Pakistan and Sierra Leone.

The U.S. imperialists are aggravating the situation in the Gulf area, continuously introducing armed forces there, says the paper.

KCNA Describes Environmental Conditions

SK1212152190 Pyongyang KCNA in English 1459 GMT 12 Dec 90

[Text] Pyongyang December 12 (KCNA)—Korea regards enviromental protection as an important task of state activities.

Shoals of fish teem in the clear water of streams meandering around ore mines and big rivers flowing by modern factories, and mountains and fields, streets and villages, parks and recreation grounds are clothed in verdure, with beautiful flowers in full bloom.

In recent years alone, thousands of more hectares of woodlands have been created and parks and recreation grounds built in Pyongyang, Hamhung, Sinuiju and other major cities, industrial districts and residential areas.

The forest area has increased by more than 78,000 hectares through an all-people movement this year. Working people in different parts of the country cut down useless and dead trees and planted 250 million fast-growing trees of great economic value including juglans cordiformis, deodar and larch in the tree-planting months of April and November.

More than 500,000 trees have been planted in the capital city of Pyongyang alone. Parks and recreation grounds in Mt. Taesong, Moran Hill and the banks of the Taedong and Potong Rivers are now covered with green foliage, and trees and green spaces in streets and residential quarters form a large green zone.

The area of green space per head of the population in the city is 48 square metres.

Ten odd purification grounds and settling basins including the Pyongchon sewage purification ground with a capacity of dealing with an average of 300,000 tons a day have been newly built in the city. And anti-pollution facilities have been built or rebuilt more modernly at the Sunchon vinalon complex, the Namhung youth chemical complex and other chemical factories, the Pyongyang thermal power complex, the Chollima steel complex and all other factories and enterprises in the country.

Today the air pollution of the country measures less than one tenth of the international tolerable limits for atmospheric protection. The sanitation of water and soil is on the world's advanced level.

Thanks to the popular environmental protection policy of the Workers' Party of Korea, some 220 observatories have been built in different parts of the country and a well-refined environmental observation system has been established to observe atmospheric and water pollution.

In particular, the environmental protection law of the DPRK adopted at the Fifth Session of the Seventh Supreme People's Assembly in 1986 provides a lawful guarantee for enviromental protection of the country.

Book on Kim Chong-il Published in Pakistan

SK1312141090 Pyongyang KCNA in English 1002 GMT 13 Dec 90

[Text] Pyongyang December 13 (KCNA)—The book "Kim Chong-il, Star Shining Over the World" written by Afzal Javed, editor of the newspaper NIDAE WAQT, was published recently in Pakistan.

Printed in the first page of the book is a portrait of dear Comrade Kim Chong-il.

Also printed in the book are a picture of the tower of the juche idea and other pictures introducing Korea.

The author wrote that the juche idea, the genuine guiding idea of the era of independence, has been widely disseminated beyond the latitude and longitude as it correctly reflects the aspiration and demand not only of the Korean people but also of the world people. Many people of the world now visit Korea to receive teachings of president Kim Il-song who founded the great juche idea, the author stressed.

Noting that it is a glory for the Korean people and the people of many countries around the world to hold dear Comrade Kim Chong-il in high esteem as the successor to the cause of juche, the author highly praised him as a great master of leadership who is leading the revolution and construction to a great upsurge with his outstanding intelligence, scientific prescience, extraordinary judgement and sweep.

Meanwhile, the book "Truth of Korea" written by Sigfredo Orbegos Venegas, professor of Turjillo University, Peru, was published in Peru.

Printed in the book is a picture of the Chollima statue.

Noting that this book was written with a view to informing the people of the reality of Korea, the author said Korea is a happy paradise where the people live without any worries.

Korea owes her achievements in the revolution and construction to the wise leadership of the great President Kim Il-song and his excellency dear Kim Chong-il, he stressed.

South Korea

No Tae-u Returns From Moscow, Gives Speech

SK1712051390 Seoul KBS-1 Television Network in Korean 0125 GMT 17 Dec 90

[Speech by No Tae-u upon his return from the visit to the Soviet Union at Seoul Airport on 17 December—live]

[Text] Dear people:

I have returned home after winding up my visit to the Soviet Union, which is the first time in history for an ROK president.

First of all, I extend thanks to you people for having sent me warm encouragement so that my visit to the Soviet Union could be successful.

For the four days from when I took my first step in Moscow Airport to when I left Leninglad, I truly felt tremendous changes.

My visit to the Soviet Union was a trip which confirmed that the status of our country had changed and that the Soviet Union and the world had changed as well.

The Soviet Government and people warmly welcomed and courteously treated me and my delegation.

The Soviet Union greeted Korea as an important partner in Asia and the Pacific. Bearing in mind that all these developments, which were inconceivable in the past, have been achieved by our people, who have built a free and prosperous country, I would like to share this reward with the people.

Dear people, my visit to the Soviet Union was short, but it was an event that has created a new history. Convinced that an era of peace and reunification is finally opening on the Korean peninsula where we live, I have returned home.

I met President Gorbachev in the Kremlin on four occasions, including the summit talks, and frankly exchanged opinions with him. We reaffirmed our common faith that everything caused by the cold war system—such as confrontation, war, antagonism, conflict, and even the wall of division which has splitted the world and the country—should be made a thing of the past.

President Gorbachev and I myself shared our common recognition that peace on the Korean peninsula is important for peace in the world.

The two leaders of Korea and the Soviet Union pledged to make joint efforts to eradicate the cold war and achieve peace and reunification on the Korean peninsula on the principle of peacefully solving its problem.

President Gorbachev and I signed the joint Moscow declaration containing this intent and made it clear to the world. This is an epoch-making event.

In the declaration, the Soviet Union clarifies that it supports a peaceful and democratic settlement of the problem concerning the Korean peninsula according to the will of our fellow countrymen.

President Gorbachev said that the reunification of the Korean peninsula should not be perceived only as difficult and that as the reunification of Germany was put into practice, the problem of the reunification of the Korean Peninsula would be solved.

The joint Moscow declaration indicates the direction in which Korea and the Soviet Union will develop their new relations of friendship and cooperation in all fields.

During my visit to Moscow, the governments of the two countries signed a trade agreement, an investment guarantee agreement, a double taxation protection agreement, and a scientific and technological cooperation agreement. Thus a firm foundation was established to achieve the practical development of relations between the two countries. As is inidcated in the Moscow declaration, the development of ROK-Soviet relations will not only hasten the reunification of the Korean peninsula, but also will promote peace and cooperation in the Asia-Pacific region.

Forty-five years ago, in Moscow, the Big Three powers decided to put our country under a trusteeship, claiming that our people lacked the ability to maintain independence. If we say this decision was an event in the past history in which we as a small and weak nation were forced by big powers, I think that the Moscow declaration, in which the ROK and Soviet heads of state have vowed to make joint efforts for peace and prosperity, will become a milestone for the new era in which we will open a proud history on our own initiative.

Fellow countrymen: The relations between the two countries that have now unfolded a new era of good-neighborliness and friendship by liquidating the legacies of the past are new relations between us and the Soviet Union. In the place where reforms are changing this country, as well as the world, I met leaders from all social strata of this country. At Moscow University I not only proudly talked about the road that our people have traversed for the past 30 years, but also mentioned with dignity everything that we wanted to tell the Soviet Union, proceeding from the stance of opening new relations with it.

I held a press conference in Moscow with reporters from various different countries and clarified to the world our policies and desires. The zeal of reform is overflowing in the Soviet Union's entire society and has now become waves flooding across a vast expanse. These waves are changing everything in this country.

The Soviet Union is undertaking another revolution which is completely changing all the hard-lined ideology and the political system that existed for the past 70 years. The democracy and market economy that we have achieved have become the method of life that all mankind is seeking. The new relations between us and the Soviet Union means new relations with the Soviet Union that seeks peace, freedom, and the common value of mankind, not with the Soviet Union that was a suzerain state of the cold war against us. Proceeding from this, we will extend encouragement to the Soviet Union's reforms.

Follow countrymen: Now that I have returned after winding up the visit to the Soviet Union, which is a part of our northern policy, we will have a great and far-sighted vision in advancing toward the 21st century. We will make every effort to achieve tangible success.

Through my visit to the Soviet Union I have confirmed the boundless possibilities for the common prosperity and interests of the two countries. The Soviet Union's territory went on infinitely for nearly 10 hours while our aircraft was flying over it after leaving Leningrad until arriving at the East Sea.

This gigantic neighboring country has markets with a population of 3 hundred million and rich natural resources.

During the current visit, I had access to the advanced science and technology that conquered the moon and the universe and to brilliant cultural assets and tradition and thus confirmed the great potential of the Soviet Union.

We will advance practical relations to benefit mutual development by combining the merits of the two nations. We will also make these relations actively contribute to the security and reunification of the Korean peninsula and to peace in Asia and the Pacific.

Dear fellow countrymen: The President of the ROK had to overcome hardships and an arduous history for the past 100 years in going to Moscow. This was a dark history which took the nation away from us and which forced us to live amid division, war, and the danger of invasion.

We now have opened the horizon of independent diplomacy. By actively developing the relations of friendship and cooperation with all nations of the world, including the Soviet Union and all its people, we will hasten the days of peace and reunification of the Korean peninsula.

There are no barriers in this world which can block our people's advance. By vigorously marching toward the world, we will not only pioneer our bright future but also contribute to the world's peace and the common prosperity of mankind. The world demands this of us.

The waves of openness and cooperation, which changed the cold war order of the world and achieved peace in Europe and the reunification of Germany, began to advance toward the Korean peninsula and East Asia.

By leading these waves, we will bring the spring of reconciliation on the Korean peninsula which has been frozen by the cold war. At this time when the road to Moscow has opened, it is a matter of time to open the road to Pyongyang.

There can be no obstacles in the world blocking our advance toward peace and reunification. We should now march forward with greater hope and conviction.

Let us vigorously advance along the road of peace and reunification by further fostering the might of freedom and prosperity. Thank you.

DLP Hails No Tae-u's Trip

SK1712040090 Seoul YONHAP in English 0257 GMT 17 Dec 90

[Text] Seoul, Dec. 17 (YONHAP)—The ruling Democratic Liberal Party [DLP] Monday hailed President No Tae-u, the head of the party, for having reaped "an enormous harvest" on his trip to the Soviet Union, the first by a South Korean head of state.

A statement issued by party spokesman Pak Hui-tae as No arrived home said, "President No's Soviet visit made an enormous harvest by opening a shortcut for South-North Korean reunification, turning the confrontation between different systems into friendship and cooperation, building the basis for common prosperity, combining rich Soviet natural resources and our production technology, and washing away the stains of the past."

"The giant historical step, which also ended the half-century cold war and spread the wing of peace on the Korean peninsula, will go down in history of the nation as brilliant."

It also called on the people to "start to march along the solid path to the North toward reunification and prosperity."

Dailies Hail Joint Declaration

SK1512085590 Seoul YONHAP in English 0751 GMT 15 Dec 90

[Text] Seoul, Dec. 15 (Yonhap)—Three leading South Korean newspapers Saturday hailed the Moscow declaration of Presidents No Tae-u and Mikhail Gorbachev as opening a new era in bilateral relations and called on the two governments to back up the promises with action.

In editorials in their Saturday editions, the conservative afternoon dailies TONG-A ILBO, CHUNGANG DAILY NEWS and KYONGHYANG SINMUN all said the declaration exhibited the two countries' sincerity in normalizing relations, which had remained apathetic during the past 86 years.

"The form and the content of the summit meeting can have different significance. We are uncertain whether form dominated content, or whether the case is the reverse. But we can at least find earnestness in its form and say that the meeting added significance to the opening of a new chapter in Korea-Soviet relations," TONG-A said, explaining that a joint declaration is higher than a joint communique as a form of diplomatic commitment.

The influential daily said the declaration reflected the "delicate power balance" on and around the Korean peninsula by stressing the need not to harm the existing alliances of each other with foreign countries.

"The Soviet Union, which supports denuclearization of the Korean peninsula and proposes a collective security system in Asia, avoided directly referring to those arguments in the face of South Korea's rejection, but inserted 'an end to political, military confrontation between South and North Korea' in the declaration.

"When we remember that North Korea suggests 'an end to political, military confrontation between South and North Korea' as a top priority issue in the inter-Korean premiers' talks, we can clearly see the Soviet Union is siding with North Korea," TONG-A said. The daily called significant Gorbachev's sympathy for No's confidence-first, arms-control-next policy.

CHUNGANG said the joint declaration exposed the two governments' strong will to mutual cooperation. "Economic cooperation has been one of the overriding themes of Korea-Soviet approach and with the signing of four agreements the two countries are now left with the question of how to put this into practice. "As have been pointed out repeatedly, it should be emphasized that economic cooperation should be pursued within the limits of Korea's capacity. Priority should be given to combining Korea's productivity with Soviet resources and technical potential," the daily said.

It interpreted the declaration as showing the Soviet intention not to support North Korea in an armed attack on another country.

KYONGHYANG SINMUN said it was noteworthy that the Soviet Union promised support for the reunification of the Korean peninsula and called for an end to the cold war. "The Soviet Union should, above all, exert influence on North Korea so that it will unconditionally open up its nuclear facilities for international inspection, and then play a role to draw North Korea out of isolation from the international community and onto the open stage," KYONGHYANG said.

TONG-A and KYONGHYANG regretted that the Moscow declaration and No-Gorbachev summit failed to include a clear apology from the Soviet Union on its responsibility for the Korean war and the 1983 shooting-down of a Korean passenger aircraft. "It falls short of our expectations that the Soviet Union simply listened to the Korean reminder of such unfortunate incidents as the Korean war and the KAL [Korean Air] aircraft downing. We hope we will hear more untold stories," TONG-A said.

But, KYONGHYANG said, "A careful look into the blueprints contained in the joint declaration gives the hope the Soviets will take proper steps to compensate for the 'unfortunate' past as time goes by."

N. Reporter Criticizes Trip

SK1612043490 Seoul KBS-1 Television Network in Korean 1200 GMT 15 Nov 90

[Excerpts] [Anchorman Pak Song-pom from Moscow] In order to report on the ROK-Soviet Union summit talks, Japan's NHK even sent a special reporting team to Moscow. In addition to the ROK and Soviet news media, correspondents stationed in Moscow from other major countries showed much enthusiasm for gathering news. Reporter Yu Yon-chae reports on how foreign reporters viewed the ROK-USSR summit talks. [passage omitted]

[Cho Tal-ui, Moscow correspondent for North Korea's NODONG SINMUN] It must be a principle that the issue of Korea's reunification be resolved by the parties concerned, that is, the Koreans themselves. From that standpoint, to go to the United States or to the Soviet Union and discuss the issue of reunification is not good, from my point of view, from a Korean point of view. [passage omitted]

Future of N-S High-Level Talks Assessed

SK1612005690 Seoul CHOSON ILBO in Korean 14 Dec 90 p 2

[Article by reporter Kim Sung-yong]

[Text] The third round of North-South High-Level Talks ended without reaching any agreements except for the date of the fourth round of the Pyongyang talks, which will be held from 25-28 February 1991. In the 13 December closed-door talks, the talks ended with no points on which compromise could be reached between the two sides regarding the issue of adopting the "basic agreement on North-South relations," and the "nonaggression declaration."

On this day, during the talks, the North side insisted that both sides adopt "the declaration on nonaggression and cooperation for reconciliation," which is in reality a nonaggression declaration, and our side also clearly stated that we cannot back down on giving priority to the adoption of the "basic agreement."

On this day, our side proposed that both sides first deal with matters that can be carried out without the adoption of an "agreement" and carry out joint proposals (put an end to slander and defamation, resolve the issue of separated families, carry out economic exchanges, take measures to restore military trust, and establish direct telephone lines between the premiers) that were made by both sides. However, the North side opposed this, claiming that the "nonaggression declaration" must be adopted first.

If there was some kind of progress in the talks, we can say that it was from the paradoxical aspect in which it was confirmed through official speeches by both sides during the talks that there are fundamental differences in opinion and that distrust exists in viewing the improvement of relations between the North and South.

On 12 December, through Premier Yon Hyong-muk's keynote speech, he emphasized the difference in understanding between the North and South on the issue of peace and clearly stated: "Our peace program is to adopt the nonaggression declaration; conclude a peace agreement between North Korea and the United States; reduce North-South arms; and withdraw nuclear weapons and U.S. troops from South Korea."

This is the first time during talks that the North side has revealed its "purpose" as the need to adopt the nonaggression declaration first. This is in great contrast to their "vague" attitude of the past.

Our side also emphasized the importance of adopting the basic agreement before adopting the nonaggression declaration by saying that it is a reality that the separated families cannot even exchange letters; that the North side denounces our side openly; and that the North side instigates illegal actions by dissidents. Also, for the first time at the meeting, reasons were revealed as to why our side cannot trust the North side: the Aung San incident; the bombing of the Korean Air Lines passenger plane 858; and the digging of the underground tunnels.

The result of the third round of talks showed that if there is no clear narrowing of distinct differences in opinion between the two sides, it seems that it will be difficult to achieve any compromises, even though there were similarities in the proposals made by the two sides.

Therefore, in the working-level contact and the fourth round of talks, it seems that it will not be possible to avoid repeated conflict regarding the position of both sides for a long time to come.

The high-level talks continue to be held only because this is in accordance with the need of the North side, in which it is inevitable for them to come to the talks because of changes in the rest of the world and because of our side's determination to hold talks. Since there is no change in outside circumstances in urging North Korea to realize North-South dialogue, it is inevitable that the North will express "sincerity" in the talks in the future also. Therefore, we can forecast the progress of future talks in accordance with the attitude of the North side.

Basically, North Korea avoids the issue of exchange and cooperation by giving priority to resolving the issue of political and military matters. The North is afraid that exchange and cooperation may induce openness and thus lead to the collapse of the system. However, it is not the position of North Korea to refuse dialogue itself. Therefore, North Korea comes to the talks but tries to limit the subject of discussions to spreading the discussion of North Korean-style reunification and forming the reunification front against the South, which includes the withdrawal of U.S. troops stationed in Korea; making the Korean peninsula into a nuclear-free zone; and concluding a treaty on peace with the United States.

Therefore, it seems that in the future working-level contact or full-dress talks, North Korea will make the issue of adopting the "agreement" a first-line question. It seems that until this issue is resolved, it will try to avoid reaching agreements on separated families or exchange and cooperation.

Also in the course of the preliminary contact, it is predicted that the North will continue to make the "Team Spirit" exercise and the issue of releasing those who had visited the North a subject of discussion; that it will adjust the pace of reaching any agreements; and that it will attempt to form a reunification front against the South. Especially, since even though the scale of the "Team Spirit" exercise has been reduced, it is our side's policy to continue the exercise, the North might postpone the fourth round of talks using this as an excuse. It was anticipated that North Korea would be able to accept economic cooperation on rice and anthracite coal without the influx of openness, but judging from the response from North Korea at this time, it seems that it is hard to hope for any progress. This is because fundamentally, North Korea regards Japan as its subject for economic cooperation.

The North is waiting for more support for North Korea's reunification strategy within South Korea through dialogue between authorities and nonauthorities while resolving the economic issue with "Japan's money."

However, due to the deeper improvement of relations between the ROK and USSR, and the acceleration of practical improvement of relations between the ROK and China, experts generally think that the practical and psychological pressure on North Korea will be heavy regarding the issue of the North-South dialogue.

Therefore, we can say that the key point in the future development of North-South relations is to adjust the time in improving relations between Japan and North Korea and to endeavor to make our internal system a sound one.

Soviet Expert Says DPRK Economy 'Shrank'

SK1512080190 Seoul YONHAP in Englih 0643 GMT 15 Dec 90

[Text] Seoul, Dec. 15 (OANA-YONHAP)—A Soviet Asian expert has predicted that if North Korea develops nuclear arms it will lead to a reevaluation of the role of U.S. troop in South Korea by the Soviet Union.

North Korea has opposed "perestroyka" and social openness, and Pyongyang-Moscow ties have been broken and are likely to worsen, Vasiliy Mikheyev, deputy chief of the Center for Asian Studies, said.

In a closed-door symposium co-sponsored by the Korea Development Institute and the Soviet Union's Institute of World Economy and International Relations (IMEMO) Dec. 10-11, Mikheev said Pyongyang's nuclear buildup was not so much related to Seoul-Moscow rapprochement as to its own military doctrine.

In another presentation, center director Marina Trigubenko [as received] said that North Korea's economy shrank 5.3 percent last year and is seriously ailing. The danger of nuclear arms development in the North would invite a Soviet redefinition of the U.S. troop presence in South Korea as a stabilizing force in the Far East, Mikheev said in a presentation titled "The USSR-Korea: Gains or Losses."

"(U.S. military presence) was unacceptable for Moscow under conditions of global and regional confrontation between the Soviet Union and the United States. But such an approach can be corrected... The U.S. military presence can be seen as a factor helping to maintain stability on the Korean peninsula rather than as a threat to our Far Eastern areas," the researcher said.

Pyongyang warned in various ways against Seoul-Moscow ties, Mikheyev said. "Pyongyang chose to aggravate relations with Moscow by 'warning' the Soviet Union... Pyongyang also hinted at the possible development of its own nuclear weapons." "As soon as Pyongyang's positions became a real hindrance for the new Asian-Pacific policy of the Soviet Union that implies normalization of relations with all states in the region, the apparent peace in Soviet-North Korea ties was broken," he said.

As South Korea and the Soviet Union enter into new cooperative relations in politics, economics and security, Pyongyang-Moscow ties will become more strained. Pyongyang, he said, will attempt to substitute the Soviet Union with Japan and China. Moscow's official recognition of Seoul, moreover, "makes it impossible for the Soviet Union to block (Seoul's) admission to the United Nations," Mikheyev contended. These developments will further awaken Tokyo and Beijing to actively participate in international cooperation, the researcher said.

Trigubenko, meanwhile, speaking on "Industrial Policy and Industrial Potential of North Korea," claimed that North Korea's industrial and agricultural output decreased 10.6 percent and 1 percent, respectively, last year. Per capita income in North Korea is about 400 dollars, similar to China, and gross national product last year was 8.95 billion dollars, the director said. "It is about time (North Korea) reviews its external policy to open its door to the countries of Asian and Pacific region and to actively participate in the universal disarmament campaign to raise its own standing," Trigubenko said.

Minister Comments on Funds for U.S. Troops

SK1512060290 Seoul YONHAP in English 0535 GMT 15 Dec 90

[Text] Seoul, Dec. 15 (YONHAP)—South Korean Defense Minister Yi Chong-ku agreed Saturday to slash 50 million U.S. dollars (35.5 billion won) from the 150 million dollars earmarked for the U.S. Forces in Korea in fiscal 1991. In testimony before the National Assembly Budget and Accounts Committee, Yi said, "Although 50 million dollars is included in the budget bill as pay for Koreans working for the U.S. military in Korea, we cannot pay it without a revision of the Korea-U.S. Status of Forces Agreement (SOFA)."

SOFA says facility costs are the responsibility of the Korean Government but it says nothing about labor expenses. "Korea-U.S. talks on a revision of SOFA have not finished," Yi said. "Whatever the outcome of the negotiations, if it must be reported to and approved by the National Assembly we can pay the labor expenses of the U.S. military authorities in Korea."

Opposition committee member Yi Sang-su said that though Seoul and Washington had agreed on the 150 million-dollar figure, in the 22nd annual Korea-U.S. Security Consultative Meeting (SCM) in Washington last month, the 50 million dollars in labor costs were null and void because it was not stipulated in SOFA and had not been approved by the National Assembly.

Yi said the Constitution requires the government to get the approval of the National Assembly when it concludes agreements with foreign countries that put a heavy financial burden on the people. "If President No Tae-u, while on his four-day official visit to the Soviet Union, promises Moscow 3 billion U.S. dollars in economic assistance, he must then get the National Assembly's consent," Yi said.

Seoul Reports on North Korean-Japanese Talks

SK1712120290 Seoul Domestic Service in Korean 1000 GMT 17 Dec 90

[Text] Japan and North Korea have agreed to hold full-dress talks to normalize diplomatic relations between the two countries in Pyongyang in January.

At the third round of the preliminary talks to normalize diplomatic relations between North Korea and Japan, held in the North Korean Embassy in Beijing today, the North Korean authorities allowed KBS correspondent Han Chun-yop and a camera man to enter the North Korean Embassy. Correspondent Han Chun-yop reports from Beijing:

[Begin Han recording] Four months after the three parties—the Workers Party of North Korea and the Liberal Democratic Party and Japanese Socialist Party of Japan—agreed in principle in a joint declaration to early establishment of diplomatic relations, North Korea and Japan will start full-fledged talks to normalize diplomatic relations in late January.

On the third day of the third round of the preliminary talks to negotiate the question of establishing diplomatic relations between the two countries, the two delegations reached final agreement on the agenda, which had been a precondition for holding full-dress talks. Thus, the road is paved for holding full-dress talks.

At today's talks, the North Korean side did not specify the nature of additional compensation for the postwar 45 years, and transferred this question to full-dress talks. Also, it is learned that the Japanese side made a concession by transferring the question of inspecting nuclear facilities in North Korea to full-dress talks.

After three-hour talks, Tanino, director of a department of the Japanese Foreign Affairs, said that because the question of normalizing diplomatic relations between Japan and North Korea is related not only to relations between the two countries, but also to the interests of Northeast Asia, including the Korean peninsula, a compromise agreement was reached after seven contacts between the two sides. Accordingly, North Korea and Japan agreed to hold the first full-dress talks to normalize diplomatic relations in Pyongyang in late January, the second full-dress talks in Tokyo, and other talks after the first and second in Beijing.

In addition, the chief delegates of both sides will be deputy ministerial level at the Foreign Ministry. The agenda of the full-dress talks conists of the basic question of normalizing diplomatic relations between the two countries; economic cooperation between the two countries; the international situation, including inspection of nuclear facilities; and issues of mutual interests, including the legal status of Korean residents in Japan. [end recording]

Kaifu-No Summit Could Hasten Akihito's Visit

SK1712033690 Seoul YONHAP in English 0158 GMT 17 Dec 90

[Text] Seoul, Dec. 17 (YONHAP)—South Korea may advance the date of Japanese Emperor Akihito's visit to February if the legal status of Korean residents in Japan is smoothly resolved during Prime Minister Toshiki Kaifu's visit to Seoul in January, a senior government official said Monday.

"President No Tae-u and Prime Minister Kaifu are expected to bring up this issue in the summit in Seoul early in January," he said, asking not to be identified. "The government is carefully taking into consideration setting the date of Akihito's visit to Seoul before March in anticipation of the Korean people's consciousness toward Japan and the political situation on and around the Korean peninsula being changed by No's just-finished four-day official visit to the Soviet Union." Akihito would be the first Japanese emperor to visit Korea in history.

The official said the Korean Government was taking a forward-looking view, based on the thinking of establishing a future-oriented partnership between Seoul and Tokyo if the dispute over the legal status of Koreans in Japan is completely resolved. He strongly hinted that the No-Kaifu meeting will have a great impact on the timing of Akihito's trip to Seoul, saying it should be an epochal turning point for ties between the two countries.

Korea and Japan will hold a closed-door meeting of their directors-general for Asian affairs in Tokyo on Wednesday to discuss the legal status and improvement of social treatment of Koreans in Japan, and it is believed they will also raise the issue of Akihito's visit to Seoul.

* DPRK's Economic, Trade Difficulties Reported

912C0023 Seoul CHOSON ILBO in Korean 16 Oct 90 p 12

[Article by reporter O Tae-chin: "Due to Reduced Trade With the USSR and People's Republic of China, North Korea's Economy Is in Stagnation"]

[Text] North Korea's rapid approach toward Japan in recent months indicates her effort to overcome the country's economic and diplomatic isolation from the world community. As a result of the country's long, closed-door policy, North Korea suffers from a lack of foreign exchange, an energy shortage, and a repeated decline of industrial productivity. North Korea's economy is known to be in near bankruptcy now. In recent years, North Korea's economic cooperation with the USSR and the People's Republic of China has not been easy. From North Korea's trade relationships with the USSR, the People's Republic of China, and Japan, one can easily surmise the country's stagnant economy.

The staple foods of North Koreans are rice and corn. While North Korea produced 2,160,000 tons of rice and 2,680,000 tons of corn, the combined amount of all the other grains produced last year was only 640,000 tons. There are few varieties in the country's grain production.

Corn produced in North Korea belongs to the dent corn variety. Dent corn has large kernels and has more than twice the productivity of the popcorn variety per unit area. Popcorn is commonly eaten by humans whereas dent corn, which is generally harder and less sweet than popcorn, is used for animal feeds and industrial use.

There is a reason for North Korea to produce such large amounts of dent corn which is not suitable for human consumption but used for animal feed. Corn is an important item used by North Korea in repaying her debts to the USSR. Half the amount of corn produced by North Korea in 1987 was used in the payment for Soviet goods purchased by North Korea. The Soviet Union uses North Korean corn for animal feed. Due to this arrangement, however, North Koreans have chronically suffered food shortages. Corn as well as rice are rationed in North Korea.

Until recently, before the USSR had begun to demand cash payments for all the Soviet goods purchased by North Korea, the settlement of accounts between the USSR and North Korea was conducted in the manner of exchanging goods except in the purchase of weapons. North Korea shipped agricultural products such as corn and vegetables, minerals such as gold, and laborers such as lumberjacks to the USSR in exchange for the Soviet goods.

Through this privileged treatment, the Soviet Union has aided North Korea economically in the past. The USSR has supplied 60 percent of North Korea's needs for electricity, 33 percent for steel, 50 percent for petrochemical products, and 40 percent for fiber. Moscow radio reported last year that the Soviet Union's economic aids toward North Korea from 1954 to 1960 had amounted to 1,300,000,000 rubles and that 77 percent of all the Soviet goods exported to North Korea were given without charge.

Trade between North Korea and the USSR has steadily increased since 1983. North Korea's exports to the USSR reached $440,000,000 in 1983. In 1988, however, North Korea's exports to the USSR amounted to $890,000,000, showing more than a two-fold increase from 1983. North Korea's imports from the USSR also grew from $35,000,000 in 1983 to $1,740,000,000 in

1988, showing an almost five-fold increase in five years. Trade with the Soviet Union occupied about 50 percent of the total international trade carried out by North Korea in 1988. Since the latter half of last year, however, the economic relationship between North Korea and the Soviet Union has cooled considerably. The situation is deteriorating even more since the Soviet leaders have become increasingly critical of their government's economic aids to North Korea. Furthermore, the Soviet Government has drastically decreased the quota of diesel oil exported to North Korea and has begun to demand cash payments according to the international standard. Soviets are also demanding that accounts should be settled with hard currencies such as dollars, marks, or yen. Professor Choi Pyung-gil of Yeonse University said he had heard a high-ranking North Korean government official lament: "Our government has no hard currency to purchase Soviet goods any more," while he was attending a conference in the Soviet Union.

The trade relation between North Korea and the People's Republic of China has not gone through any drastic change so far. Due to the open economic policy of China and China's own recent economic problems, however, North Korea's trade with China has become quite stagnant. Until the middle of last year, the two countries regularly held a conference for signing trade agreements, committee meetings for the management of border rivers, and directors' meetings of the joint hydroelectric company. These meetings, however, have been indefinitely postponed this year. Reliable sources report that even the trade along the border between the two countries, which has been active since 1987, is decreasing now.

Japan's trade with North Korea last year amounted to $490,000,000. Although Japan is North Korea's third largest trading partner, following the USSR and the People's Republic of China, the trading between North Korea and Japan last year barely reached one half of the amount it totaled at the peak of their trading in the 1970's. Even the direct investments by Japan's private companies are staying at the level of 60 cases as of last February. Moreover, most of these Japanese companies involved belong to Chochongnyun.

The biggest obstacle in the two countries' trade relationship is North Korea's 70,000,000,000-yen debt to Japan.

Owing to North Korea's active import expansion policy in the 1970's, many Japanese industries invested in North Korea's plants manufacturing steel, ethylene, and fiber. Following the worldwide oil-shock, however, North Korea's primary export items have suffered major drops in price. Consequently, North Korea has stopped debt payments to Japan altogether. Although Japan extended North Korea's repayment deadline in 1976 and again in 1979, North Korea has stopped paying even the interest on her Japanese loans since 1983. In the case of Mitsui Company, for example, over 40,000,000,000 yen including interest are owed by North Korea for her cement plant.

For this reason, Japan's Trade Ministry refuses to acknowledge trade insurance against North Korea.

North Korea's total trade in 1989 amounted to $4,790,000,000. This is a decrease of 8.6 percent from 1988. While exports decreased 4.3 percent, imports also decreased 11.4 percent during the same period. This indicates the general stagnation of her trade with the USSR and the People's Republic of China. Last year's trade deficit for North Korea was $900,000,000. Moreover, North Korea's trade has been in deficit continuously since 1968. In spite of Kim Il-song's effort to reduce the rate of growth in the export industry, North Korea's prospects for international trade this year have become worse than last year's prospects.

Brunei, Malaysia & Singapore

Malaysia

King, Queen Begin Five-Day Visit to Thailand

BK1712071290 Kuala Lumpur International Service in English 0600 GMT 17 Dec 90

[Text] Their majesties, the king, Sultan Azlan Shah, and the queen, Tuanku Bainun, begin a five-day state visit to Thailand today. His Majesty will be conferred an honorary doctorate of law by Chulalongkon University in Bangkok. The king served as Lord President before ascending the throne last year.

Their majesties will be acompanied on the visit by Transport Minister Datuk Sri Dr. Ling Liong Sik as minister in attendance, Inspector General of Police Tan Sri Haniff Omar, and Foreign Ministry Secretary General Datuk Ahmad Kamil Jaafar.

Counterfeit Passports for U.S. Entry Seized

BK1412060890 Kuala Lumpur BERNAMA in English 0318 GMT 14 Dec 90

[Text] Kuala Lumpur, Dec 14 (OANA-BERNAMA)—Malaysia is being used as a transit point by US-bound South Asians because of its regular direct flights to America, a local daily reported Friday.

The English daily, NEW STRAITS TIMES, reported that over the past two weeks, 40 South Asians have been prevented from boarding US-bound aircraft at the Kuala Lumpur International Airport by the local authorities following tip-offs from US Embassy officials.

The paper quoted the Embassy's information officer, Mrs. Mary Allen T. Gilroy as saying that the authorities had seized 40 fake passports—28 from Pakistan, four from India, three from China, two from Bangladesh, two from Sri Lanka, and one from Afghanistan.

She said that the passports may or may not denote their nationalities.

All the fake passports, US visas and residency cards possessed by the suspects have common characteristics which indicated that they were being produced at the same place.

She said that the different flaws discovered in the documents indicated there might be more than one organisation involved.

Mrs. Gilroy added: "Most of the foreigners were on transit waiting to board connecting flights to the US.

"Possession of these forged documents indicates an organised attempt to help foreigners to enter the US illegally."

Mahathir, Ghafar Hail 1991 National Budget

BK1512132190 Kuala Lumpur International Service in English 0600 GMT 15 Dec 90

[Text] Datuk Sri Dr. Mahathir Mohamed says tax exemptions featured well in next year's budget because the government could afford giving them without affecting funds for infrastructural development. Increased output in income had enabled the government to finance national development without having to raise taxes.

The prime minister said the people should be mindful of the need to continue with infrastructural development in line with the increased inflow of investments. He points out that with investments amounting to 32 billion ringgit this year, it must be ensured that earnings are reinvested to provide ample water and power supplies and build adequate roads and ports.

Datuk Sri Dr. Mahathir said this [to] newsmen who approached him at Parliament House after the budget was unveiled. He also described the 1991 budget as the best yet for the people. The prime minister attributed it to national economic growth and stability. He said some people might think Malaysia was just lucky, but compared to its neighbors, the country's economic development was spectacular.

Meanwhile, Deputy Prime Minister Mr. Ghafar has described the budget as a special gift for the people, especially the poor. It would be a boon to the less unfortunate and the handicapped. He said the various tax exemptions, reductions, and other concessions reflect the government's optimism that next year's budget would generate further growth for the national economy.

Joint Environment Committee With Singapore Set

BK1612094290 Kuala Lumpur International Service in English 0600 GMT 16 Dec 90

[Text] A Malaysian-Singapore Joint Committee on Environment has been set up to check pollution in Johor Strait. It is to be co-chaired by the chairman of Johor Tourism and Environment Office, Datuk (Jimmy Lau), and the former inspector of the Ministry of Environment of Singapore, Mr. (Chong Kwi Hua). It will also consist of eight permanent members.

This was stated in a joint statement in Kuala Lumpur today by the minister of environment of Singapore, Dr. Ahmad Mattar, and the minister of science, technology, and environment, Mr. Law Hieng Ding. The statement said both ministers have agreed that the issues to be addressed by the committee at its inaugural meeting next month will include harmonization of (?emission) standards of motor vehicles. They will also include petrol quality, trans-boundary movement, and hazardous chemical [words indistinct], and monitoring of air and water quality in and around the Johor Strait.

During Dr. Mattar's visit, both ministers discussed the adoption of a common stand for the 1992 UN Conference on Environment and Development in Brazil.

Cambodia

Further Reportage on Supreme National Council

Resumption of 1st Session Urged

BK1512090590 Phnom Penh Domestic Service in Cambodian 1300 GMT 14 Dec 90

[Station editorial: "It Is Time To Show Goodwill"]

[Text] So far, the international aspect of the Cambodian problem has been solved. [Words indistinct] attending the meeting of the five permanent members of the UN Security Council [UNSC], the cochairmen of the Paris International Conference on Cambodia [PICC], and the UN Secretary General's representative have made efforts to work out and adopt a draft document entitled: An Agreement on the Sovereignty, Independence, Territorial Integrity, Inviolable Neutrality, and National Reconciliation of Cambodia.

This is a major issue relating to international guarantees for Cambodia, which opposing Cambodian parties have always wanted. But before implementating this important document, all Cambodian parties should talk and agree among themselves first. To achieve this, there is only one way, and that is by continuing the first session of the Supreme National Council [SNC], which was suspended on 19 September. Apart from this, a bipartite, tripartite, or quadripartite meeting is outdated and is also a serious threat to the survival of the SNC, which is the symbol of Cambodia's independence, sovereignty, and national unity. For this reason, the State of Cambodia cannot respond positively to Samdech Sihanouk's strange invitation.

On 11 December, His Excellency Hun Sen, member of the SNC, sent a message to His Excellency Chau Sen Kosal, SNC member and chairman of the first SNC meeting, and other SNC members calling on them to meet in Bangkok, the sooner the better.

This is the most correct thing to do because the SNC's first meeting, opened at the former Cambodian Embassy in Bangkok, ought to continue and conclude its work there. The main item on this meeting's agenda is the election of the SNC leadership and a number of other issues relating to the Cambodian problem. We think that this is the best time for the six SNC members of the tripartite coalition government to respond positively if they are really sincere in solving the Cambodian problem politically.

In the past, the other Cambodian side has successively accused the State of Cambodia of creating obstacles to hinder the Cambodian peace process by refusing to attend the Paris meeting at Samdech Sihanouk's invitation. This accusation is not reasonable at all because Samdech Sihanouk is an individual outside the SNC. Therefore, he has no right to call on the SNC's 12 members to meet with him. The only one person eligible to call a meeting of the SNC members is His Excellency Chau Sen Kosal, chairman of the first SNC session. Those eligible to propose an SNC meeting are the 12 SNC members through a proposal to His Excellency Chau Sen Kosal. That is the way shown by Comrade Hun Sen.

But the meeting should not be held at any other place than Bangkok where the first meeting was suspended. For this reason, we think that if the six members of the other side reject and refuse to attend and continue the SNC's first meeting, they will be fully responsible for the delay of a comprehensive solution to the Cambodian problem. This would be the continuation of an attitude devoid of goodwill as in the past, when the opposing side conducted negotiations and then withdrew to test things on the military battlefield. Furthermore, the fact that the opposing side has made efforts to carry out propaganda calling on the international community to pressure the Phnom Penh side is not only unjust but also an outdated act unacceptable to the current era.

At present, under the influence of a new political thinking, no one can force another state to accept their will. Ali Alatas, Indonesian foreign minister and cochairman of the PICC, clearly specified on 9 September that one cannot impose an agreement without the participation of Cambodian parties. Comrade Igor Rogachev, Soviet deputy foreign minister, also recently affirmed that things can be considered valid only when the Cambodian SNC can function normally because this transitional body has the task of representing the symbol of Cambodia's sovereignty and national unity and of closely cooperating with the United Nations; otherwise, all the plans adopted at the meeting in Paris will remain on paper only.

In sum, to break the deadlock of a solution to the Cambodian problem, the proper way is to urge the SNC to continue its first session in order to move toward the PICC, which is the opening toward a comprehensive solution on Cambodia.

SPK Interviews Hun Sen 14 Dec

BK1512014490 Phnom Penh Domestic Service in Cambodian 1300 GMT 14 Dec 90

[SPK correspondent's "exclusive interview" with Hun Sen, member of the party Central Committee Political Bureau and chairman of the Council of Ministers, place not given on 14 December—read by announcer]

[Text] On 14 December, Comrade Hun Sen, member of the party Central Committee Political Bureau and chairman of the Council of Ministers, granted an exclusive interview to SPK the contents of which are as follows:

[Correspondent] Recently, you sent letters to the members of the Supreme National Council inviting them to meet in Bangkok. In the meantime, there was a report that the cochairmen of the Paris conference intended to convene a SNC meeting in Paris. What is the difference between the two meetings?

[Hun Sen] On December 11, I sent letters to SNC members and on 12 December to both the cochairmen of the Paris conference and Thai Prime Minister Chatchai Chunhawan proposing that the SNC meeting be reconvened in Bangkok with a view toward [words indistinct]. The objective of the meeting is to discuss and decide on the internal aspects of a settlement of the Cambodian problem. This is the unique right of Cambodians and no outsider is entitled to discuss or decide the matter for them, as it is an issue of national sovereignty and self-determination of the Cambodian people.

In the settlement of the Cambodian problem, it is necessary to clearly determine the competent authority for each matter. This is to avoid any confusion. Cambodian internal affairs are within the purview of the SNC, which is composed of personalities from all political leanings. The international conference and the United Nations can neither discuss nor decide on these matters. As for the international aspects of the problem, they should be jointly decided by the Paris International Conference and the SNC.

In making such a statement, I have not ignored the efforts of the international community. We always welcome their drive to bring about peace for the Cambodian people. What I want to say here, however, is that Cambodia's sovereignty is within the confines of self-determination of the Cambodian people and this [words indistinct]. This is why I want the SNC to meet to decide on the problem as well as the chairmanship and the process of the SNC. As for the report on the cochairmen of the Paris conference reconvening a SNC meeting in Paris, I have so far received neither an invitation nor accurate information on this matter. This is why in my letter to the Paris conference cochairmen I said if the SNC meeting in Bangkok was [words indistinct], the Paris conference cochairmen could inform the SNC members of the outcome of the talks held by the five permanent members of the UN Security Council [UNSC] and the Paris conference cochairmen in November.

[Correspondent] The other Cambodian side has accused the Phnom Penh government of rejecting the peace plan of the UNSC permanent members. What do you think?

[Hun Sen] As I mentioned before, we always welcome efforts by the international community to bring about peace in Cambodia. But the roles in the settlement of the Cambodian problem should be clearly determined. There are boundaries between Cambodia's sovereignty and the role of foreign countries, and there are relations between the sovereignty and the UN Charter as well. The settlement of the Cambodian problem is connected to the role of the United Nations. As such, along with considerations for the sovereignty of Cambodia, the correct application of the UN Charter shows respect for Cambodia's sovereignty as well as that of other state members. Any contrary action against the UN Charter is a dangerous precedent for the whole world.

With the sovereignty issue, it is also necessary to prevent the recurrence of the genocidal Pol Pot regime. We should also consider the self-determination of the Cambodian people through free and equitable elections, and the elections' outcome which will determine the political and military regime of Cambodia. There are no other solutions.

Hun Sen in Paris 'on 21 Dec'

BK1512114490 Phnom Penh Domestic Service in Cambodian 1100 GMT 15 Dec 90

[Message from "His Excellency Hun Sen, chairman of the State of Cambodia's Council of Ministers, to the cochairmen of the Paris conference"; dated 15 December—read by announcer]

[Text] Your Excellencies: We have just received your letter today, 15 December 1990, at 0845 local time, inviting us to attend a meeting in Paris of the Supreme National Council members with the cochairmen of the conference.

We would like to inform Your Excellencies that due to the short period of time and because there is no flight available, we can be in Paris via Air France only on 21 December 1990.

We suggest the following agenda for this meeting: Report on the outcome of the meeting of the five major powers and the Paris conference cochairmen. Furthermore, we would like to suggest an internal meeting of the SNC members in order to discuss the internal aspect of the Cambodian problem, which is the prerogative of the SNC.

Please accept my high consideration.

[Signed] For the six SNC members of the State of Cambodia.

Hun Sen

Reaction to Sihanouk SNC Move

BK1712054890 Phnom Penh SPK in English 0432 GMT 17 Dec 90

[Text] Phnom Penh SPK December 17—Prince Norodom Sihanouk, by rejecting the presidency of the Supreme National Council, is trying to rise above Cambodia's factions with an eye to his chances in future elections, sources said here Saturday [15 December].

"The prince has his own tactics," said a source who knows him well, according to AFP [AGENCE FRANCE-PRESSE].

Speaking on Friday as organizers prepared for a meeting of the SNC in the French capital Thursday, Prince

Sihanouk said that he would never agree to be president, co-president, or even a member of the body.

Prince Sihanouk, who has been in France on a "private visit" since late November proposed last Monday that the SNC operates without either a president or vice-president.

Prince Sihanouk had said earlier that he was not a candidate for the presidency but would accept it if he was asked to do so.

Having excluded himself from the SNC and having missed its constituent meeting in Jakarta, Prince Sihanouk has no other choice than to rise above the fray if he wishes to play a role in his country's political process, analysts say. He has been repeately advised by countries which back him and by Cambodian political figures to move in this direction, informed soures say.

SNC Meeting Delayed Two Days

AU1712120290 Paris AFP in English 1101 GMT 17 Dec 90

[Text] Paris, Dec 17 (AFP)—A meeting scheduled for Thursday or Friday of the Cambodian Supreme National Council with the French and Indonesian co-chairmen of the international conference on Cambodia could be put back by two days, conference sources said on Monday.

Cambodian Prime Minister Hun Sen "probably will not be able to be there on time", the sources said on Monday, but made it clear that he was definitely coming. The Cambodian news agency SPK said Mr. Hun Sen could not be in the French capital until Friday.

Phnom Penh's Foreign Mister Hor Namhong, who is a member of the SNC, is already in Paris for personal reasons and has extended his stay to be here for the SNC meeting. The sources said it would be impossible to hold the meeting without Mr. Hun Sen.

The SNC, formed in Jakarta in September and composed of six representatives of the Hanoi-backed Phnom Penh government and two each from the three Cambodian resistance parties, will represent Cambodian sovereignty until elections are held under the auspices of the United Nations.

It has only held one meeting so far, in Bangkok, also in September, because its members have been unable to agree on the issue of chairmanship.

Reliable sources said Mr. Hun Sen and members of his delegation were having transport difficulties.

In a message to the co-chairmen of the international conference, Foreign Ministers Roland Dumas of France and Ali Atalas of Indonesia, Mr. Hun Sen suggested that as well as the talks with the conference chairmen the SNC could hold an "internal" meeting to discuss domestic aspects of the Cambodian problem, according to SPK.

Prince Norodom Sihanouk, former Cambodian monarch and leader of the resistance coalition, on Monday began a round of meetings with the coalition's three factions.

He was scheduled to have lunch with his supporters on Monday at a chateau in the village of Fere-en-Tardennois, east of Paris, where he held two of his first meetings with his adversary, Mr. Hun Sen, in 1987 and 1988.

On Tuesday he is scheduled to have a meeting with the coalition's number two, former Cambodian premier Son Sann, leader of the non-communist FLNPK [Khmer People's National Liberation Front].

On Wednesday he will have talks with Khieu Samphan, leader of the radical Marxist Khmer Rouge, the military backbone of the resistance coalition, and on Thursday with General Sak Sutsakarn, military commander of the FLNPK forces, who is in dispute with Son Sann.

Prince Norodom Sihanouk is not a member of the SNC and said last week he neither wanted to be a member, nor president, nor co-president, so as to be "above the parties". A source who knows the prince well suggested that the prince wanted to rise above the fray because it would enhance his electoral chances.

The issue of who should chair the SNC has blocked negotiations for nearly three months.

DK Backs Cochairmen Meeting

BK1512042990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 14 Dec 90

["Interview" with Khieu Samphan by unidentified VONADK correspondents on 14 December; place not given—read by announcer]

[Text] On the morning of 14 December, His Excellency Khieu Samphan, Cambodian vice president in charge of foreign affairs, was interviewed by Voice of the National Army of Democratic Kampuchea correspondents on a planned meeting between the four Cambodian parties and the Paris conference cochairmen in Paris at the end of December. Following is the content of the interview:

[Unidentified correspondent] Greetings to His Excellency the Vice President. In the past few days there have been reports that Indonesian Foreign Minister His Excellency Ali Alatas and French Foreign Minister His Excellency Roland Dumas, cochairmen of the Paris conference, had planned to invite the leaders of the four Cambodian parties to meet with them on 19 December. According to the latest report, however, the Phnom Penh puppets have refused to attend the planned meeting at the invitation of the cochairmen. What do you think of this?

[Khieu Samphan] Thank you. It is the Hanoi Vietnamese aggressors who ordered their puppets and lackeys in Phnom Penh to voice such a rejection. The Hanoi

Vietnamese aggressors dare not let their lackey puppets attend the meeting with the cochairmen of the Paris conference on Cambodia because they are afraid their lackey puppets, and through this they themselves, will be forced to accept an overall agreement on a settlement to end the Vietnamese war of aggression in Cambodia mapped out in Paris on 23-26 November, in keeping with the framework document of the five permanent members of the UN Security Council [UNSC] and the Jakarta joint statement. This clearly shows how the Hanoi Vietnamese aggressors and their lackey puppets have their backs to the wall. They are in a situation where the whole world is besieging and forcing them to end their invasion war in Cambodia. They are trying to avoid the pressure, but they will certainly come to a dead end in the near future.

I wish to recall the issue as follows: On 20 September 1990, at the inter-Cambodian meeting held under the chairmanship of the Paris conference cochairmen in Jakarta, the three partners of the Cambodian National Resistace [CNR] joined forces with the cochairmen and the whole world to compel the Vietnamese lackey puppet to accept the framework document of the five UNSC permanent members and the Jakarta joint statement. Immediately after leaving Jakarta, however, the Phnom Penh puppet was ordered by the Hanoi Vietnamese aggressors to indirectly reject the Jakarta joint statement at once by objecting to the election of Samdech Norodom Sihanouk as the chairman of the Supreme National Council, and by demanding that he be nominated SNC vice chairman.

Both the document of the five UNSC permanent members and the Jakarta joint statement have clearly specified that Samdech Norodom Sihanouk is the chairman of the SNC. But he has opposed the election of the samdech and demanded that he be named vice SNC chairman. This is for the purpose of opposing and destroying the basic document of the five permanent members and the Jakarta joint statement. Now, both the Hanoi Vietnamese aggressors and the Vietnamese lackey puppets can no longer hide their faces because the documents have been fleshed out and they have been summoned to give a definite answer to the Paris conference cochairmen. That being the case, they have intensified their maneuvers against the framework document of the five permanent members and the detailed document formulated on 23-26 November.

Lately, SRV Foreign Minister Nguyen Co Thach has arrogantly stated that Vietnam will categorically refuse to sign any agreement on the settlement of the Cambodian problem regardless of agreement among the Cambodians. This is highly and distinctly conspicuous. The words uttered by the Hanoi Vietnamese are a resume of Nguyen Co Thach's address at the 45th UN General Assembly and the memorandum issued by the Hanoi Vietnamese aggressors and their lackey puppets on 7 November. The Hanoi Vietnamese aggressors and their lackey puppets' opposition to the election of Samdech Norodom Sihanouk as the SNC chairman is tantamount to their total objection to and destruction of all the documents.

The Hanoi Vietnamese aggressors and their lackey puppets' demand that Puppet Hun Sen be named as vice SNC chairman is aimed at rejecting and destroying all the documents. The Hanoi Vietnamese aggressors and their lackey puppets have opposed and destroyed all the documents because they are not willing to relinquish Cambodia, are hiding their aggressor forces in Cambodia, are continuing their war of aggression against Cambodia, and are opposing the United Nations and a UN peacekeeping force's verification of the withdrawal of Vietnamese aggressor forces from Cambodia and the Cambodian people's rights to self-determination.

The party of Democratic Kampuchea [DK] as well as the entire CNR hold that the Hanoi Vietnamese aggressors and their lackey puppets should in no way be allowed to act unchecked and block the process of settling the Vietnamese war of aggression in Cambodia at will. The meeting between the four Cambodian parties and the Paris conference cochairmen should take place as scheduled so all the Cambodian parties can spell out to the cochairmen their stance of accepting or rejecting the framework document of the five permanent members, the Jakarta joint statement, and the draft comprehensive agreement reached by the cochairmen and the five permanent members at their working meeting in Paris on 23-26 November 1990.

Hun Sen 'Agrees' to Paris Meet

BK1512060090 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 15 Dec 90

[Text] The Thai Foreign Ministry said yesterday that the talks in Paris are necessary and that all Cambodian parties should cooperate with Indonesia and France, cochairmen of the Paris International Conference on Cambodia, in order to continue the peace process.

Reports reaching the Voice of the Khmer newsroom said Hun Sen has agreed to attend the meeting in Paris. Earlier, Hun Sen sent a message to Bangkok in which he reportedly proposed a meeting in Bangkok.

The Thai Foreign Ministry statement was issued following a report saying that Thailand has been trying to sound out the opinions of all Cambodian parties on the prospects of a meeting in Bangkok, [words indistinct].

Indonesia and France, cochairmen of the PICC, have asked leaders of all Cambodian parties to meet in Paris on 19 December where they will be shown the final draft of the Cambodian peace plan that was worked out by the five major powers, the permanent members of the UN Security Council.

Invitation to DK Issued

BK1612010490 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 15 Dec 90

[Text] On 14 December, His Excellency Khieu Samphan, chairman of the party of Democratic Kampuchea [PDK] and Cambodian vice president in charge of foreign affairs, and His Excellency Son Sen, vice chairman of the PDK and member of the coordinating committee for national defense [of the national Government of Cambodia] received a message from the cochairmen of the Paris conference—His Excellency Ali Alatas, Indonesian foreign minister, and His Excellency Roland Dumas, French foreign minister—inviting them to attend a meeting to be held in Paris on 20-21 December. Following is the content of the message:

In our capacity as the cochairmen of the Paris Conference on Cambodia endowed with a mandate from the five permanent members of the the UN Security Council [UNSC], we would like to invite the 12 members of the Supreme National Council to meet in Paris on 20-21 December.

At the meeting, we will jointly examine a draft comprehensive settlement agreement drawn up on 26 November, and you will be asked to render your decision on the document.

We are hopeful that you will perceive the importance of the talks and will participate in the meeting with the spirit of compromise and the wish to make the conclave a success.

[Signed] Roland Dumas, Ali Alatas.

Invitation Accepted

BK1612010690 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 15 Dec 90

[Text] On 14 December, Their Excellencies Khieu Samphan and Son Sen sent a message to the cochairmen of the Paris conference on Cambodia—French Foreign Minister His Excellency Roland Dumas and Indonesian Foreign Minister His Excellency Ali Alatas—accepting their invitation for them to attend a meeting to be arranged in Paris. The message read:

To His Excellency Roland Dumas, French foreign minister, and His Excellency Ali Alatas, Indonesian foreign minister, the cochairmen of the Paris International Conference on Cambodia, care of His Excellency Ok Sakun, Cambodia's permanent representative to UNESCO in Paris.

Their Excellencies: We have the honor of receiving your letter inviting us to participate in the meeting to be held in Paris on 20-21 December 1990 to jointly examine a draft comprehensive political settlement agreement worked out on 26 November.

We would like to wholeheartedly thank you both for the invitation and your praiseworthy efforts to promote the pace of the peace process. We unreservedly share your view about the importance of the meeting and are very pleased to attend the talks. We wish to affirm that we will fully cooperate with you.

Their Excellencies, please, accept our highest regards.

[Dated] 14 December 1990.

[Signed] Khieu Samphan, Son Sen.

Thai Ministry's Role in Talks Overviewed

BK1512020990 Bangkok THE NATION in English 15 Dec 90 p 2

[Text] The [Thai] Foreign Ministry said yesterday it is necessary for the Cambodian factions to cooperate with Indonesia and France in holding another round of peace talks in Paris to help restart the stalled peace process.

This follows a report that the ministry was seeking the opinions of the Cambodian factions on the prospects of peace talks either here or in Paris, according to a senior official.

The ministry was reportedly seeking the views of Cambodian leaders on a Phnom Penh suggestion that Bangkok organize the peace talks. This was in reaction to an invitation from Indonesia and France, the cochairmen of the Paris International Conference on Cambodia, for Cambodian leaders to meet in Paris on Dec 19 to discuss a peace plan drafted by the five permanent members of the United Nations Security Council.

Sarot Chawanawirat, director-general of the Political Department, reiterated Thailand's policy that Bangkok could be used as a venue for any Cambodian talks only when all the leaders of that country agreed that there would be a good chance for success.

He said all the resistance leaders he had talked to about the Phnom Penh suggestion rejected the idea, saying they preferred to go to Paris.

Commentary Decries Hun Sen Meeting Call

BK1612044090 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 15 Dec 90

[Station commentary: "The Vietnamese Enemy Aggressors and Their Traitorous Lackey Puppets Are More Arrogantly Manipulating To Block the Peace Efforts Displayed by the Cochairmen of the Paris International Conference on Cambodia and To Destroy the Framework Document Drawn Up by the Five Permanent Members of the UN Security Council"]

[Text] While the cochairmen of the Paris International Conference on Cambodia announced on 19 December that they would invite the four Cambodian parties to meet in Paris with a view to examining the draft agreement on a settlement of the Cambodian problem adopted on 26 November by them and the five permanent members of the UN Security Council [UNSC], the traitorous puppet in Phnom Penh manipulatively put forth a proposal calling for a meeting of the Supreme National Council [SNC] in Bangkok.

This is obviously a ploy aimed at hindering the Paris conference cochairmen's and the five UNSC permanent members' efforts in the search for a durable and definite peace for Cambodia. Where did the manipulation come from? It was from the Hanoi enemy aggressors after they summoned traitorous puppet Hun Sen to see them in Hanoi recently.

What is the purpose of the puppet's proposal? And have the Vietnamese and the puppets changed their stances?

People have noted that since the meeting in Bangkok on 17 November where the Vietnamese lackey puppets opposed and refused the election of Samdech Norodom Sihanouk as SNC chairman in keeping with the Jakarta joint statement, both the Vietnamese enemies and the traitorous puppets have openly and vigorously been opposed to the five-chapter framework document of the five UNSC permanent members, the Jakarta statement, and in particular a UN transitional authority, a UN peacekeeping force, and the role of the SNC which was endorsed by the puppets in Jakarta. And lately, the Hanoi Vietnamese authorities have ordered traitorous puppet Hun Sen to arrogantly reject Samdech Norodom Sihanouk's proposal calling for an inter-Cambodian meeting in Paris to seek ways to promote and expedite the settlement of the Cambodian problem, and to insult the samdech in the most insolent and cruel manner. This does not take into account their military activities on the battlefield in Cambodia where Vietnamese troops have continuously been sent in. As such, the Vietnamese enemy aggressors and puppets have not changed their stances and are never willing to settle the Cambodian problem via a political solution. Their proposed conclave in Bangkok was nothing but a maneuver to evade the Paris meeting reconvened by the Paris conference cochairmen. This is to avoid discussing the draft settlement of the Cambodian problem drawn up by the five UNSC permanent members and the cochairmen.

The purpose of the Vietnamese enemies and puppets is to destroy the five-chapter framework blueprint and the Jakarta document and to divert the Cambodian settlement to their scheme so that Vietnam is able to continue occupying Cambodia forever in accordance with the Indochinese federation strategy advocated by late Vietnamese Ho Chi Minh. However, despite all manner of machinations, the Vietnamese enemy aggressors and their traitorous lackey puppets can neither destroy nor modify the five-chapter blueprint and the Jakarta document because:

1. The two documents have unanimously been endorsed by the UNSC and the 45th UN General Assembly. They have become the unique official documents for settling the Vietnamese war of aggression in Cambodia via a comprehensive political solution.

2. The five permanent members of the UNSC and the cochairmen of the Paris International Conference on Cambodia have already fleshed out the five-chapter blueprint and mapped out a draft settlement agreement at their latest talks in Paris on 23-26 November 1990.

As such, the opposition from the Vietnamese and puppets have been ignored. The Vietnamese and puppets are supposed to respect the agreement that they have already endorsed. This is an obligation to implement international agreement.

3. The Cambodian people and the three parties of the Cambodian National Resistance will continue to bring multifarious joint pressure to bear on the Vietnamese and puppets to force them to respect and abide by the above-mentioned UN framework blueprint. They can in no way circumvent the implementation. By all means, the more they become arrogant and insolent and intensify their manipulations, the more the world abhors and apply stronger pressure on them until they are compelled to fully implement the five-chapter framework document hammered out by the five UNSC permanent members and the Jakarta document.

1,250 SRV Troops Said Sent to Cambodia 6-9 Dec

BK1512045690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 14 Dec 90

[Text] According to our Cambodian national resistance forces operating on Kompong Thom and Moung-Pursat battlefields:

1. On 6 and 7 December, the Hanoi Vietnamese enemies sent 450 Vietnamese soldiers from Vietnam wearing puppet Heng Samrin army uniforms through Route 2 via Phnom Penh City and the towns of Kompong Chhnang and Pursat Provinces to Anlung Kouk Village in Moung District of Battambang Province.

2. On 9 December, they shipped 800 more Vietnamese troops from Vietnam with a 130-mm cannon, 14 T-54 tanks, and 13 personnel armored carriers along National Route 7, via the town of Kompong Cham Province, to the Kompong Thom provincial town.

During the three days—6, 7, and 9 December—the Vietnamese aggressors sent 1,250 fresh Vietnamese troops from Vietnam to the battlefield of aggression against Cambodia.

Indonesia

Defense Minister Warns of Threats in 10 Years

BK1712123990 Jakarta Domestic Service in Indonesian 1200 GMT 17 Dec 90

[Text] Defense and Security Minister L.B. Murdani says people should be vigilant against the potential existence of external and internal threats against national stability within 10 years. As the core of the country's defense and security force, the Indonesian Armed Forces [ABRI] should be firm and capable of maintaining peace and stability in the country.

This was stated by Defense and Security Minister Murdani in his written message, read by Major General Sudarmadi, director general in charge of ABRI's Logistics, Facilities, and Services, at the monthly flag-hoisting ceremony at the Defense and Security Department today. The minister added ABRI will continue to boost its strength so as to create a standard force capable of coping with external threat and maintaining internal security. The development of ABRI must be carried out in a proper way in accordance with the country's financial situation.

Finance Minister Assesses 1991 Economic Growth

BK1712101890 Jakarta ANTARA in English 0936 GMT 17 Dec 90

[Text] Jakarta, Dec 17 (OANA-ANTARA)—The government is optimistic that the country's economic growth will reach at least five per cent next year even though economic recession is predicted to take place in a number of countries, Minister of Finance J.B. Sumarlin said here Monday.

Meanwhile, Chairman of the Indonesian Chamber of Commerce and Industry (Kadin) Sotion Arjanggi said on a separate occasion that businesses hoped that the government would slacken its tight monetary policy (TMP) next year.

Minister Sumarlin and Arjanggi made these comments to answer questions on the prospect and perspective of economy in the coming year.

The economic prospect in 1991 is likely overshadowed by economic recession everywhere that could affect the national economy, said the finance minister.

He explained that in the coming year which is known by Chinese zodiac as the year of the goat, a number of countries are predicted to suffer from economic recession which would hamper their economic growth.

As the result, he said, the banking growth rate in the country would decline slightly. The government therefore is calling on the banking sector to make preparations in facing this possibility, he added.

Referring to the government's effort to prevent devaluation of the rupiah in 1991, the minister said that he would always study the development of the rupiah and would adjust it to the position of the foreign exchange reserves.

He said that the heavy job that the government would face in the coming year is to curb the inflation rate. To curb inflation, the government has since April this year introduced a tight monetary policy. This policy is temporary in nature but it could be extended if considered necessary, he said.

In the meantime, Sotion Arjanggi said that businessmen actually understood the objective of the policy.

But if extended, he went on, it is feared that it would affect the economic growth.

According to him, businessmen hoped that the government would slacken its tight monetary policy because they predicted that a number of countries would have their economies recovered in the coming year.

Apart from that, the effort to curb the inflation has shown results. Businessmen also realized the adverse effect of inflation, the Kadin chairman said.

He sees a bright prospect in the Indonesian economy next year.

Gen Sutrisno Receives Singapore Army Chief

BK1512095790 Jakarta Domestic Service in Indonesian 0600 GMT 15 Dec 90

[Text] The Indonesian armed forces commander in chief, General Try Sutrisno, received a courtesy call yesterday from the Singapore Army chief of staff, Brigadier General Ng Jui Ping.

The Singapore Army chief of staff has been in Indonesia since 13 December for a five-day visit at the invitation of Indonesia's Army chief, General Edi Sudrajat.

General Tri Sutrisno briefed his guest in detail on Armed Forces of the Republic of Indonesia's [ABRI] role in national development, especially ABRI's function as a socio-political force, and its commitment to the struggle of the Indonesian people in achieving national aspirations.

The Singapore Army chief of staff is scheduled to pay a courtesy call on the Republic of Indonesia's Defense Minister L. B. Murdani, and visit the Kalibata national heroes cemetary.

Laos

Reportage on Li Peng, PRC Delegation Visit

Arrive in Vientiane 15 Dec

BK1512142190 Vientiane Domestic Service in Lao 1200 GMT 15 Dec 90

[Text] At the invitation of the Government of the Lao People's Democratic Republic [LPDR], a delegation of the PRC Government led by Premier Li Peng on board a special plane arrived in Vientiane this afternoon for a three-day goodwill visit to the LPDR.

Accompanying the PRC premier are his wife Zhu Lin, eight officials, and over 40 members of a working staff.

A warm and honorable welcome ceremony was held at the Wattai International Airport for Premier Li Peng and his delegation.

Present at the airport to welcome the Chinese premier, his wife, and delegation were Kaysone Phomvihan, chairman of the Council of Ministers of the LPDR; his wife, Mrs. Thongvin Phomvihan; Phoun Sipaseut, vice chairman of the Council of Ministers and minister for foreign affairs; General Sisavat Keobounphan, chairman of Vientiane Municipality Administrative Committee; ministers; deputy ministers; members of the Supreme People's Assembly; representatives of mass organizations; high-ranking military and police officers; civil officials; and representatives of Chinese residents in Vientiane.

Phongsavat Boupha, LPDR ambassador extraordinary and plenipotentiary to the PRC, and Liang Feng, PRC ambassador extraordinary and plenipotentiary to the LPDR were also among those who went to greet Li Peng and his delegation at the airport.

The main building in the compound of the airport was decorated with big red banners with white Lao and Chinese characters saying: Wholeheartedly praise the official goodwill visit to the LPDR by PRC Premier Li Peng. National flags of the two countries were majestically hoisted side by side.

At 1630 [0930 GMT], the special plane, a Boeing 707, of the PRC Government delegation landed at Wattai International Airport.

Kaysone Phomvihan, chairman of the Council of Minister, and his wife went to the base of the ramp to greet Premier Li Peng, his wife, and delegation as the brass band of the Lao People's Army [LPA] was playing welcome music and the national anthems of the PRC and LPDR respectively.

After inspecting the LPA guard of honor and receiving bouquets from Lao children, Premier Li Peng shook hands with a number of people who came to welcome him and his delegation at the airport.

The motorcade left Wattai Airport for the government's guesthouse. Thousands of people, schoolchildren, and students, weaving Lao and Chinese national flags, stood at the roadside to welcome the delegation from the airport to the government's guest house.

At the airport, the PRC premier distributed a written statement to the mass media. The statement says: I am highly pleased to pay an official goodwill visit to your beautiful country at the invitation of Comrade Chairman Kaysone Phomvihan. On the occasion of the recent 15th founding anniversary of the LPDR, I, on behalf of the Chinese Government and people, would like to extend my cordial greetings and best wishes to the Lao Government and fraternal people.

China and Laos are friendly countries and close neighbors sharing the same mountain ranges and rivers. Traditional friendship between the peoples of the two countries have existed since time immemorial. The successful visit to China made by Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party and chairman of the Lao Council of Ministers in October last year as testify to the new era of the expansion of the Sino-Lao relations. During my visit, I will exchange views with Comrade Chairman Kaysone Phomvihan on further expansion of relations between the two countries and international issues of common interest.

I believe that the strengthening of traditional friendship between the peoples of the two countries and the friendly and neighborly relations between the two countries will not only serve the common aspiration and fundamental interests of the peoples of the two countries, but will also benefit peace and stability in this region. I wish the LPDR prosperity and the Lao people well-being and happiness.

At 1830 [1130 GMT], PRC Premier Li Peng and his delegation called on Kaysone Phomvihan, chairman of the LPDR Council of Ministers, at the reception hall of the Council of Ministers.

Premier Li Peng and his delegation will attend a reception hosted in their honor by Kaysone Phomvihan this evening.

Other members of the delegation of the PRC Government are Qian Qichen, Chinese minister of foreign affairs; his wife; Chen Jinhua, minister in charge of the Commission for Restructuring the Economic System; Li Lanqing, vice minister of foreign economic relations and trade; Tao Siju, vice minister of interior [as heard]; and Xu Dunxin, assitant minister of foreign affairs.

Banquet Honors Chinese Visitors

BK1612094990 Vientiane Domestic Service in Lao 0000 GMT 16 Dec 90

[Text] At 1900 yesterday, Kaysone Phomvihan, chairman of the Council of Ministers of the Lao People's Democratic Republic, together with Mrs. Thongvin Phomvihan, his wife, held a banquet at the mess hall of the Office of the Council of Ministers in Vientiane in honor of Li Peng, premier of the PRC and Mrs. Zhu Lin, his wife, who heads a high-level delegation of the PRC Government to pay a visit to the LPDR at the invitation of our Lao Government.

Attending the banquet as guests of honor on this occasion were: Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA]; Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs; and General Sisavat Keobounphan, chairman of the administrative committee of the Vientiane Municipality; along with ministers, deputy ministers, members of the SPA, representatives of various mass organizations, and many high-ranking cadres from various services.

At this glorious banquet, Kaysone Phomvihan, chairman of the Council of Ministers, delivered a speech. He said:

[Begin Kaysone Phomvihan recording] Respected Comrade Premier Li Peng and wife; beloved comrade members of the PRC Government delegation; distinguished ladies and gentlemen:

Today, the LPDR Government and the multiethnic Lao people are delighted and have the great pleasure to welcome the high-level delegation of the PRC Government led by Comrade Premier Li Peng, which has brought to our multiethnic Lao people the profound sentiments of friendship, the traditional spirit of solidarity, and vigorous support and encouragement. [applause]

We consider this first visit to the LPDR by the high-level leader of the PRC as an event of historic significance. The visit marks a new step of development in the relations of friendship and all-round cooperation between the LPDR and the PRC. It will also enhance the friendly affection and the traditions of solidarity and mutual assistance between the two peoples of Laos and China. Besides, it will result in increasingly promoting and developing the bilateral cooperation, under many forms and at many different levels, in the same way as the water of the Mekong river which has never run dry and thus bringing about freshness, happiness, and plentiful life to the peoples of both countries. The visit will also make a very important contribution to the strengthening of peace, stability, friendship, and cooperation in this region.

We are very glad to see that under the firm and resolute leadership of the CPC, the PRC—a great socialist country—has won great achievements in implementing the economic reform and open-door policy as put forth by Comrade Deng Xiaoping. Those achievements have served as an important basis for the defense, promotion, and expansion of the gains of the socialist revolution to advance toward the achievement of progress, modernization, and prosperity. They have also greatly contributed to the achievement of peace and social progress in this region and the world.

We are also elated to note that following the official friendship visit to the PRC last year by a Lao Government delegation led by myself, the relations of friendship between the peoples of Laos and China have been further strenghtened, and the cooperation in many fields between the two countries has been quickly and fruitfully developed. These achievements have resulted from the joint efforts, mutual understanding, and sincerity between the two sides. This can be compared with a tree which is beautifully branching out and bearing fruit in decoration of the time-honored friendship, solidarity, and love between the peoples of our two countries. The aforesaid achievements have also served as an important factor for our Lao people to carry out the cause of defending and building the country.

Beginning from the factual situation in the economic and social field of Laos and through the concrete achievements and experiences in defending and building the new system over the past 15 years under the leadership of the Lao People's Revolutionary Party, we reiterate that the appropriate steps of the Lao revolution in the present as well as in the future are to further build and expand the popular democratic system and to create primary conditions to advance to socialism step by step.

To fulfill the said steps, under the present confused international situation, the LPDR is determined to consistently pursue the foreign policy of peace, independence, friendship, and social progress and to continue to broaden the international cooperation on the basis of the principles of equality and mutual benefits in order to serve the cause of modification and national development to contribute to establishing peace, stability, friendship, and cooperation in this region and the world.

On this significant occasion, on behalf of the party, government, and multiethnic people of Laos, I would like to express sincere thanks and profound gratitude to the CPC, the PRC Government, and the Chinese people for having always rendered precious assistance to our Lao revolutionary cause. I hereby invite comrades, ladies, and gentlemen to drink a toast to the success of the high-level PRC Government delegation in this visit to the LPDR, to the achievements and victories of the Chinese people in building and developing the country under the CPC's leadership, to the solidarity and friendship between the peoples of the two countries, to the all-round cooperation between the LPDR and the PRC, to the good health of Comrade Deng Xiaoping and all other party and state leaders of the PRC, to the good health of Comrade Premier Li Peng and wife, and to the good health of all comrades, ladies, and gentlemen attending the banquet here. Thank you. [applause] [end recording]

[Text] Later, Premier Li Peng made a reply speech. He said: Respected Comrade Chairman Kaysone Phomvihan and wife; comrades and friends:

I am very pleased to pay an official friendship visit to Laos at the invitation of Comrade Chairman Kaysone Phomvihan at a time when the Lao people have just celebrated, in a joyous atmosphere, the 15th anniversary of the national day—their glorious national festival. Though I have come to Laos for the first time, I feel that I have a very intimate and especially close relationship with the Lao people. Ever since we entered the land of Laos, we have been warmly and greatly welcomed by the Lao leaders and people. This has reminded us of the profound affection of the Lao people toward the Chinese people.

This evening, Comrade Chairman Kaysone Phomvihan organizes a grand banquet for us in an atmosphere of close friendship, and he has delivered a speech filled with profound sentiments of affection and cordiality. On behalf of the Chinese Government and people and in my own name and that of my wife, I would like to express sincere thanks to Comrade Chairman Kaysone Phomvihan and his wife as well as to the government and fraternal people of Laos.

Laos is a country with beautiful scenery and full of natural resources. The Lao people are industrious and maintain good customs. In the past, the Lao people, under the leadership of the Lao People's Revolutionary Party [LPRP], had persistently carried out a protracted struggle for national independence and liberation. At present, they have concentrated their energies and intelligence on carrying out the cause of economic building and modification, thereby recording outstanding achievements.

Over the previous years, you comrades have reaped an increased production of rice; you have achieved development in industrial production; markets in your country have thrived; and the people's living conditions have been further improved. We sincerely wish the Lao people new, ever greater achievements in the cause of building the economy and carrying out the modification.

China and Laos are neighboring, friendly countries sharing common mountain ranges and waterways. The peoples of the two countries have maintained harmony since ancient times. In the cause of the protracted struggle against the imperialists and colonialists and for the economic construction, our two peoples have helped and supported each other and established a profound friendship. Following the successful visit to China by Comrade Chairman Kaysone Phomvihan last year, the said friendship has been restored and developed. Over the past year or so, the two sides have widely made exchanges and developed cooperation in all fields, in particular in the political, economic, cultural, and sports fields, and have recorded satisfactory achievements.

The Chinese Government and people to the utmost have appreciated the friendly, neighborly relations and the traditional friendship between the peoples of the two countries. We hope that following this visit to your country, the mutual understanding and mutual trust will be further strengthened and the friendly relations and cooperation between the two countries will be enhanced.

At present, the world situation is changing during an important stage. On one hand, the East-West relations have been improved, while the military confrontation has been relaxed, thus bringing about the settlement of crucial problems in certain regions in favor of world peace. On the other hand, the world is now in the situation in which the old is being replaced by the new—the old surroundings are being demolished while the new ones are emerging. In certain regions, stability has not yet been achieved. In view of this world situation, in the immediate future, the Chinese Government and people are pleased to make efforts, together with peace-loving countries and people throughout the world, to lead the world situation to further develop in a direction beneficial to peace and stability.

China is concentrating on building socialism with a special shape. In this regard, we continue to regard economic construction as the main issue. We have adhered to the four basic principles and pursued the reform and open-door policy in an attempt to fulfill the strategic target of economic development by the end of this century and in the first 50 years of the next century. We are determined to keep the situation in the country in which durable solidarity and tranquility are maintained.

We also want to see international peace and stability maintained. We are pleased to promote relations with various countries in the world on the basis of the five principles of peaceful coexistence. We even hope to enhance the friendly relations with neighboring countries. We are elated to note that the relations between China and the ASEAN member countries have been greatly developed this year. We also wish to improve our relations with the Indochinese countries. At present, the Sino-Lao relations have been favorably developed.

Along with the just, comprehensive, and reasonable settlement of the Camnbodian problem through a political means, the Sino-Vietnamese relations will be also improved step by step. We hope to see Southeast Asia turned into a region of genuine peace, stability, and prosperity to contribute to peace and development of Asia and the world.

Now, I would like to propose a toast to the prosperity of the LPDR and the happy and plentiful life of the Lao people, to the friendship and cooperation of the two peoples of China and Laos, to the good health of Comrade Chairman Kaysone Phomvihan and wife, and to the good health of all comrades and friends here.

After the banquet, Council of Ministers Chairman Kaysone Phomvihan and his wife accompanied Chinese Premier Li Peng and his wife to view the art performances staged by the central art troupe and a troupe of the national art and music school. They also joined in performing the traditional Lao dance in a joyous atmosphere.

Li Peng, Kaysone Hold Talks

BK1612102090 Vientiane KPL in English 0924 GMT 16 Dec 90

[Text] Vientiane, Dec 16 (KPL)—A governmental delegation of the Lao PDR [Lao People's Democratic Republic] led by Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee [LPRP CC], chairman of the Council of Ministers of the Lao PDR, and a visiting governmental delegation of the People's Republic of China led by its Premier Li Peng, Politburo member of the Communist Party of China Central Committee, today morning held talks at the meeting hall of the Council of Ministers.

Participating in the talks on the Lao side were Phoun Sipaseut, Politburo member of the Party Central Committee, vice chairman of the Council of Ministers, [and] minister for foreign affairs, Phao Bounnaphon, member of the Party Central Committee, minister of external economic relations, Lieutenant General Khamphon Bouddakham, member of the Party Central Committee, deputy-minister of interior, Thongloun Sisoulit, member of the LPRP CC and deputy head of its foreign relations board, vice-minister for foreign affairs, Sompadit Volasan, vice-minister of trade and tourism, Phongsavat Boupha, ambassador extraordinary and plenipotentiary of the Lao PDR to the PR [People's Republic] of China. [punctuation as received]

Present at the talks on the Chinese side were Qian Qichen, minister of foreign affairs, Chen Jinhua, minister of the State Commission for Restructuring Economy, Li Lanqing, vice-minister of foreign economic relation and trade, Tao Siju, vice-minister of public security, Xu Dunxin, assistant minister of foreign affairs and Liang Feng, Chinese ambassador to the Lao PDR. The talks were conducted in an atmosphere of goodwill, warm friendship, and mutual understanding.

The two sides informed each other about the situation in their respective country and exchanged views on the promotion of the friendly relations between the two countries. They also discussed other regional issues of mutual interest.

Before the talks, the Chinese Premier Li Peng and his party laid wreath at the monument for the unknown soldiers. The party was accompanied by Phoun Sipaseut, vice-chairman of the Council of Ministers and minister for foreign affairs of Laos.

Qian, Phoun Hold Talks

BK1612133090 Vientiane Domestic Service in Lao 1200 GMT 16 Dec 90

[Text] This afternoon, Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs, held talks at the government guesthouse in Vientiane with Qian Qichen, foreign affairs minister of the PRC, to exchange views on the promotion and expansion of the relations between the two countries—Laos and China—in the present and the immediate future.

In the meeting, which proceeded in a profound atmosphere of friendship and cordiality, Phoun Sipaseut and Qian Qichen discussed and exchanged views on implementation of the contents and spirit of the agreement unanimously reached by heads of the Lao and Chinese Governments in their talks this morning. They also discussed the promotion and strengthening of the friendship relations between the two countries in addition to international, Southeast Asian, and regional issues of common interest.

Economic Officials Hold Talks

BK1712044290 Vientiane Domestic Service in Lao 1200 GMT 16 Dec 90

[Text] This afternoon, Phoa Bounnaphon, minister of foreign economic relations, held talks with Li Lanqing, deputy minister of foreign economic relations and trade of the PRC.

During the meeting, the two ministers discussed implementation of the agreement reached by Kaysone Phomvihan, chairman of the Council of Ministers, and Premier Li Peng on the PRC long-term interest-free loan for economic development in the Lao People's Democratic Republic and the satellite television earth station—a gift from the PRC to the LPDR. They also exchanged views on economic relations, trade at the central and local levels, and cooperation in economic development between the two countries.

Li Peng Meets Phoumi, Nouhak

BK1712090990 Vientiane Domestic Service in Lao 0500 GMT 17 Dec 90

[Text] At 0935 today, Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, received, at the Presidential Office in Vientiane, a courtesy call from Li Peng, premier of the PRC, his wife, and delegation. On this occasion, Phoumi Vongvichit welcomed the official visit to Laos of the PRC Government delegation led by Premier Li Peng, the visit which, he said, has contributed to further strengthening relations between the two countries.

He noted: We have said that Laos and China are close neighboring countries linked by land, waterways, and mountain ranges which cannot be separated from each other. He also highly assessed the invaluable assistance given to our Laos by the Chinese Government and people. He said: The assistance has contributed to the victory of our past national salvation struggle as well as to our present struggle to defend and build the country. The acting president also conveyed best regards to the party and state leaders of the PRC and all Chinese people, and wished for the increasing improvement and development of Lao-Chinese relations.

On this occasion, Premier Li Peng expressed thanks to Phoumi Vongvichit for the warm welcome. He has highly appraised the correct leadership line of the Lao People's Revolutionary Party and the LPDR Government, which have led the entire Lao people to consolidate, perfect, promote, and expand the popular democratic system and march forward step by step along the socialist path. He then informed Phoumi Vongvichit of the construction and development of China. He said: Over the last more than 10 years, following the implementation of the reform and open door policy as adopted by Deng Xiaoping, the PRC has won satisfactory achievements in many fields. Li Peng also took this occasion to extend an invitation to Phoumi Vongvichit and his wife to visit the PRC. Phoumi Vongvichit has accepted the invitation with pleasure.

Earlier, this morning, Li Peng and his delegation, accompanied by Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs, called on Nouhak Phoumsavan, chairman of the Supreme People's Assembly at the meeting hall of the Council of Ministers. The meeting proceeded amid a good atmosphere of cordiality and friendship from beginning to end.

Economic Relations Resumed

BK1712122690 Vientiane KPL in English 0907 GMT 17 Dec 90

["New Starting Point of Lao-Chinese Economic Cooperation"—KPL headline]

[Text] Vientiane, Dec 17 (KPL)—Soon after the restoration of the relations between the two countries, Laos and China has resumed their bilateral trade and economic cooperation through the signing of a basic agreement followed by a series of protocols on border trade exchanges, the volume of which stands at over 7.1 million American dollars.

Based on the agreement, Vientiane Municipality has recently agreed to cooperate with Chinese Yunnan and Guangdong Provinces in ore mining and processing, geological survey in northern Phong Saly, Luang Namtha, Oudomsai, Sayabouly and Luang Prabang, in addition to continuing forest survey, a hydropower station construction and river transport rehabilitation in the northern part of Laos.

Already implemented are the cooperation projects of airport rehabilitation, a small size hydropower station survey, medicinal herb plantation and manufacture and a pig farm in Luang Namtha.

In addition, bilateral agreements have been reached on establishing a vehicle and agricultural machinery repair workshop in Oudomsai and a model station for rice growing in Phong Saly.

Li Peng, Assembly Head Meet

BK1712122490 Vientiane KPL in English 0921 GMT 17 Dec 90

[Text] Vientiane, Dec 17 (KPL)—Nouhak Phoumsavan, Politburo member of the [Lao] People's Revolutionary Party Central Committee, president of the People's Supreme Assembly, met here this morning with Mr Li Peng, Politburo member of the Communist Party of China Central Committee, and prime minister of China.

The discussion dwelled on the promotion of the friendly relations and mutual cooperation between Laos and China. Mr Li Peng briefed Mr N. [Nouhak] Phoumsavan of the result of his visit to Laos, and of the talks between the two governmental delegations. He further expressed satisfaction to see the socio-economic development in Laos over the past 15 years owing to the policy of the Lao party and state.

The two personalities highly valued the traditional friendly relations between the Lao and Chinese people and expressed conviction that the political, educational, socio-cultural and economic cooperation between the two countries be developed.

On this occasion, Chinese Premier Li Peng extended an invitation to Nouhak Phoumsavan to visit China. The invitation was accepted in principle and the exact date of the visit is to be fixed later.

Li Peng Gives Message, Departs

BK1712101490 Vientiane KPL in English 0924 GMT 17 Dec 90

[Text] Vientiane, Dec 17 (KPL)—A governmental delegation of the People's Republic of China headed by its premier Li Peng left here today, ending its three-day visit to Laos at the invitation of the government of the Lao People's Democratic Republic.

Mr. Li Peng, who is also a Politburo member of the Communist Party of China Central Committee, and his party were seen off at the Wattai Airport by General Secretary Kaysone Phomvihan of the Lao People's Revolutionary Party Central Committee and chairman of the Council of Ministers and his wife. Also included in the farewell party were other Politburo members: Mr. Phoun Sipaseut, vice- chairman of the Council of Ministers and minister of foreign affairs, Mr. Sisavat Keobounphan, chief of the General Staff of the Lao People's Army and mayor of Vientiane prefecture, ministers and deputy ministers, members of the People's Supreme Assembly and a number of senior Lao officials.

Mr. Liang Feng, Chinese ambassador to Laos was also on hand.

Before taking off the national anthems of both countries were played. Kaysone Phomvihan and Li Peng reviewed the guard of honour.

Upon leaving, Li Peng, premier of the State Council of the People's Republic of China delivered a message of thanks to Kaysone Phomvihan. The message reads:

"Upon leaving your country at the conclusion of my current visit, I wish to express our heartfelt thanks to you, comrade chairman, your government and people for the warm welcome and kind hospitality accorded to us.

During my visit here, I had an extensive and in-depth exchange of views with you on ways to develop our bilateral relations and the international issues of common interest in a cordial and friendly atmosphere. This has contributed to enhancing our mutual understanding and trust and expanding our common ground. My visit has attained its expected purposes and helped further the development of Sino-Laotian good-neighbourliness, friendship and cooperative ties.

It is my firm belief that, under the leadership of the Lao People's Revolutionary Party, the industrious and talented Lao people of all ethnic groups will surely keep making fresh achievements in their nation-building through concerted efforts"

After Laos, Li Peng and his delegation will pay an official visit to Sri Lanka.

Economic Agreement Signed

BK1712105090 Vientiane KPL in English 0931 GMT 17 Dec 90

[Text] Vientiane, Dec 17 (KPL)—Laos and China signed here this morning an agreement on economic, and technical cooperation during the three-day visit to Laos by a Chinese Governmental delegation headed by its Premier Li Peng.

The agreement was signed by Mr Phao Bounnaphon, minster of external economic relations of the Lao PDR [Lao People's Democratic Republic] and Mr Li Lanqing, vice minister of foreign economic relations and trade. The signing ceremony was witnessed by the prime ministers of the two countries.

The agreement stipulates that China will grant a long-term interest-free loan accounting for 50 million yuan (10 million U.S. dollars) to Laos for the priority work in the improvement and construction of economic bases. China also offers a gratuitous aid to Laos for the installation of equipment for the reception of TV signal via satellite. This project is to be implemented from 1991.

Kaysone Phomvihan Receives Outgoing Soviet Envoy

BK1512124490 Vientiane KPL in English 0901 GMT 15 Dec 90

[Text] Vientiane, Dec 15 (KPL)—The outgoing Ambassador Extraordinary and Plenipotentiary of the Union of Soviet Socialist Republics to Laos Mr. Yuriy Mikheyev on Dec 13 called on the General Secretary Kaysone Phomvihan of the Lao People's Revolutionary Party Central Committee [LPRP CC], who is also chairman of the Lao Council of Ministers.

On this occasion, the Soviet ambassador handed over a message of greetings on Mr. Kaysone Phomvihan's 70th birthday from the General Secretary Mikhail Gorbachev of the Communist Party of the Soviet Union CC, who is also the Soviet president and took the opportunity to bid farewell to the General Secretary Kaysone Phomvihan after fulfilling his diplomatic mission in Laos for over four years.

The LPRP CC general secretary expressed thanks to Mr. Mikhail Gorbachev for his greetings through the Soviet ambassador.

He also appreciates Mr. Yuri Mikheyev's personal devotion for the consolidation and promotion of the traditional friendship and all-round cooperation between Laos and the Soviet Union.

Philippines

Li Peng 'Will Not Oppose' Aquino Taiwan Visit

HK1712143790 Manila Radio Veritas in Tagalog 1300 GMT 17 Dec 90

[Text] Foreign Affairs Secretary Raul Manglapus believes that Chinese Premier Li Peng will not oppose President Aquino's visit to Taiwan. Manglapus said Li Peng was sincere when he recognized that it is important for the Philippine economy to have trade with Taipei. The foreign secretary reiterated that Manila and Taipei will forge economic and not political relations. This is in accordance with the one-China policy.

Malacanang has not issued an official confirmation as to whether the president accepted the offer to visit Taiwan.

Li Displays 'Understanding' Attitude

HK1712054190 Hong Kong AFP in English 0526 GMT 17 Dec 90

[Text] Manila, Dec 17 (AFP) - Philippine Foreign Secretary Raul Manglapus said Monday that Chinese Prime Minister Li Peng indicated during his visit here last week that Beijing would tolerate a visit by President Corazon Aquino to Taiwan.

"I have to say that Premier Li Peng demonstrated an understanding attitude," he said of the reports, never confirmed by Manila, that Mrs. Aquino accepted, on the eve of the Chinese leader's arrival here, a private invitation to visit Taipei.

"Even if that should materialize, I think he firmly said that China would have to make firm statements. Nevertheless, I think he recognized also that this would be part of a sincere effort to develop only economic, not political relations," Mr. Manglapus added.

Mr. Li said Friday that he understood current Philippine economic difficulties and endorsed Manila's growing commercial ties with Taipei, the Philippines' fourth largest trading partner, but urged Mrs. Aquino to refrain from official contact with Taipei.

Mr. Manglapus has previously confirmed that senior Philippine officials have made private visits to Taiwan, which disputes sovereignty over China with Beijing.

Mr. Manglapus said Monday that Mrs. Aquino mentioned to Mr. Li that she recently received the governor of a southern Chinese province who told her there was a special office in his province that took care of developing Taiwanese investments there.

"The implication was that the premier ought not to be surprised that we sometimes have to take extraordinary efforts to develop our economic relations with Taiwan," he said.

"Li Peng demonstrated during his visit here a very reasonable, realistic attitude to our China policy. He stressed to us and we stressed back to them that we are adhering to it," Mr. Manglapus said.

"He demonstrated an openness toward our economic problems and he recognized that Taiwan plays and important role in Philippine developments," he added.

Aquino Accepts Trade Secretary's Resignation

HK1712060890 Manila THE MANILA CHRONICLE in English 17 Dec 90 p 1

[By Lito Zulueta]

[Text] President Aquino confirmed last night she had accepted the resignation of Trade and Industry Secretary Jose Concepcion Jr. but appeared to have trouble finding his replacement.

The President, who described Concepcion as a "good secretary" and whom she defended from accusations of any wrongdoing, said she had accepted the resignation of one of her most loyal Cabinet members to maintain "national harmony."

Concepcion is leaving the Cabinet in the face of strong criticisms that he had assisted in the grant of "behest loans" to a Taiwan petrochemical firm. His announced divestment of his shares in family-owned businesses had also been doubted by critics who charged him with maintaining a conflict of interest. He denied all the accusations.

Malacanang sources said Mrs. Aquino was considering Science and Technology Secretary Ceferino Follosco or industrialist Cesar Buenaventura to replace Concepcion.

Follosco was trade and industry undersecretary to Concepcion until he was promoted to head the Department of Science and Technology. Buenventura was reportedly offered the DTI [Department of Trade and Industry] post last year but he turned it down on grounds of his wife's poor health.

Earlier, Negros Occidental Gov. Daniel Lacson declined Concepcion's job, expressing fears that his investments in family-owned corporations would also embroil him in the same controversy that Concepcion found himself.

Among those being considered as Concepcion's successors are DTI undersecretaries Tomas Alcantara and Gloria Macapagal-Arroyo.

Speaking in her weekly broadcast program "magtanong sa Pangulo', the President said Concepcion's resignation "weighs heavily in my heart."

She disclosed that Concepcion had submitted his offer to quit upon his return from Brussels last Dec. 11, where he headed a government delegation to a conference on the General Agreement on Tariffs and Trade.

"Over the last months, Secretary Concepcion has signified his intention to resign, but I have always prevailed upon him to continue," the President said. "He has accepted with fortitude the many burdens of public office, but the recent accusations regarding the use of his office for personal gain have inflicted undue anguish and pain to him and his family."

Mrs. Aquino was referring to the Senate Blue Ribbon committee inquiry on the petrochemical project, where Concepcion was accused of influence-peddling in trying to corner domestic loans to increase the capitalization of the Taiwan-based project.

"I know these accusations to be untrue," she said. "The Senate Blue Ribbon Committee findings bear me out." Although the committee said there was no proof of any wrongdoing on his part, it recommended censure against Concepcion for allegedly facilitating the project.

"It is unfortunate that in spite of these findings, there are those who are disposed to continue looking for the bad rather than the good, seeing only what can be brought down rather than what can be built upon," the President said.

Mrs. Aquino said that with Concepcion at the helm of the DTI, foreign and domestic borrowings increased. "Secretary Concepcion has been a good secretary, and the price he and his family have paid has been high," she added.

"For in taking the initiative to submit it (his resignation), again he has shown that the interest of the country is foremost in everything that he has done."

Concepcion is the second Cabinet member to be relieved since the President announced a top-level revamp last Dec. 9.

Last week, the President accepted the resignation of Executive Secretary Catalino Macaraig, designating Transportation and Communications Secretary Oscar Orbos in his place.

Widely believed as next to be replaced are Public Works Secretary Fiorello Estuar and Budget Secretary Guillermo Carague.

Negotiator: Base Talks Take 'Turn for the Worse'

BK1612085890 Bangkok THE NATION in English 16 Dec 90 p A4

[By Christina Pastor]

[Text] Manila—Talks between Manila and Washington on U.S. bases in the Philippines appeared to have taken a sudden turn for the worse, endangering the chances for a new treaty to be signed by the end of January, a member of the Philippine technical panel told THE NATION.

Failure of both panels to meet the January deadline for an agreement will mean the U.S. would have to withdraw within a year from September 1991 from Clark Air Base, Subic Naval Station and four smaller installations, Alan Ortiz, a key national security adviser of President Corazon Aquino and a member of the bases technical committee, said.

"They've (Americans) threatened several times to pack up and go. The mood developing in the (Philippines) panel is 'okay, leave'", Ortiz said.

"They think we cannot let them go, but the truth is they need us more than we do because they know how expensive it is to transfer elsewhere," he added.

U.S. panel spokesman Stanley Schrager said at the end of the third round of talks that the two countries are closer to reaching an agreement on what to do with the facilities than they are on jurisdiction over American servicemen committing crimes in the Philippines.

Ortiz said the "most emotional issue" tackled in the talks involved criminal jurisdiction over American personnel.

The Americans want the Philippines to waive control over U.S. servicemen and to forego the right to search U.S. facilities for any evidence of criminal activities, Philippine officials said.

Manglapus on Nuclear Arms Detection, Bases Talks

HK1712102990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Dec 90

[By Rey Arquiza; passages in italics denote English]

[Text] Foreign Affairs Secretary Raul Manglapus today said that the Philippines does not have the capability to detect the presence of nuclear weapons in the U.S. bases here: *Until our government finds the means and the time and the resources to acquire the capability, we have to live with it. We do not have the capability to detect nuclear weapons.* He said that the authorities in Spain and Japan do not ask the Americans about the storage of nuclear weapons in the military bases of these countries because the reply they would get would be negative. Manglapus implied that both Spain and Japan do not have the capability to detect nuclear weapons. He justified the U.S. policy of neither denying nor confirming because if the U.S. admits that they have nuclear weapons in their military bases abroad, it would give their enemies the advantage.

In an interview at the Manila coffeeshop forum, Manglapus said that there will be two more rounds of talks before a new treaty is forged for the retention of the U.S. bases in the Philippines. He explained that the Philippines is negotiating an agreement based on a treaty that would serve as a law shared by the two countries. It will be a pledge that the executive and legislative branches of both governments will uphold. But if there is no agreement for a new treaty for the continued presence of the U.S. bases in the country, the next round of talks would be on the removal of the bases.

Rebels Announce Christmas Cease-Fire

HK1512083190 Hong Kong AFP in English 0823 GMT 15 Dec 90

[Text] Manila, Dec 15 (AFP) - Communist guerrillas said Saturday they would call a Christmas and New Year's Day cease-fire once more this holiday season, and offered to swap prisoners "in the humanitarian spirit of the season."

The National Democratic Front (NDF), the insurgent umbrella group, said in a statement issued here that from 1:00 A.M. December 24 (1700 GMT December 23) to 1:00 A.M. December 26 (1700 GMT December 25) and from 1:00 A.M. December 30 (1700 GMT December 29) to 1:00 A.M. January 2 (1700 GMT January 1), they would not "launch any tactical offensive" against government forces.

The unilateral move came after the government of President Corazon Aquino announced that it would unilaterally cease offensive operations against communist guerrillas and right-wing military renegades from December 23 to the end of Christmas Day and from December 30 to the end of New Year's Day.

The NDF however told its guerrilla arm, the New People' Army, to "conduct defensive actions" and warned that the truce would hold provided the government did not violate its own truce and did not "launch any offensive operation against the revolutionary forces and the people."

It also called on the government to free captured insurgents, noting that it too holds "captives from the other side" and that release of captured insurgents "shall be reciprocated."

They did not elaborate on whom they wished released or which captives they had abducted. Three soldiers are currently being held captive by communist guerrillas in the Bondoc peninsula southeast of Manila.

The government and the NDF had short-lived cease-fire talks during the Christmas season in 1986 and although the talks collapsed, both sides have unilaterally declared truces every Christmas season since.

Further on Cease-Fire Announcement

OW1512085990 Tokyo KYODO in English 0822 GMT 15 Dec 90

[Text] Manila, Dec. 15 (KYODO)—The communist-led New People's Army (NPA) on Saturday declared a five-day, unilateral ceasefire in the "humanitarian spirit" of Christmas and New Year, the left-wing underground coalition National Democratic Front (NDF) said.

The announcement came 10 days after President Corazon Aquino ordered the military to observe a six-day cessation of hostilities between government troops and left-wing and right-wing rebels in observance of the holiday season.

The NDF said the communist army will hold fire starting December 24 at 1 A.M. until 1 A.M. on December 26 for the Christmas truce and 1 A.M. on December 30 until 1 A.M. on January 2 for the New Year ceasefire.

The government-sponsored Christmas truce starts December 23 at 1 P.M. until 1 P.M. on December 26, while the New Year cessation of hostilities kicks off December 30 at 1 P.M. until 1 P.M. January 2.

"The ceasefire means that the NPA does not launch any tactical offensive against the enemy within the above specified periods, provided the AFP (Armed Forces of the Philippines) keeps to the word of President Aquino and do not launch any offensive operation against the revolutionary forces and the people," the NDF said.

The government and the communist rebels have observed holiday truces during the past four years.

The NDF also urged the government to release all political prisoners to "further improve the atmosphere for bilateral peace talks" and promised to reciprocate the gesture by freeing captives of the rebels.

"The NDF urges the (government) to effect the release of political prisoners by simply respecting their right to bail and ending the malicious practice of filing nonbailable charges against them," the NDF said.

Peace talks between government and communist representatives collapsed in January 1987 after several farmers protesting in front of Aquino's presidential palace were shot dead by security forces.

20 NPA Rebels Killed in Davao del Sur

HK1412062790 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 14 Dec 90

[Text] Twenty guerrillas were killed and many others injured during an encounter with government troopers in the town of Bansalan, Davao del Sur. Only one soldier was injured in the encounter. According to reports, government soldiers fought with 100 armed members of the New People's Army [NPA] at dawn yesterday. The troops, under the leadership of Captain Rodolfo Huerta had a V-150 armored vehicle which gave them enough power to defeat the rebels. The rebels left five types of high-powered firearms including two M-16 rifles, and one M-14.

Right-Wing Rebels Suspected in 16 Dec Bomb Blast

HK1612023490 Hong Kong AFP in English 0230 GMT 16 Dec 90

[Text] Manila, Dec 16 (AFP)—A homemade bomb exploded at a record factory before dawn Sunday, injuring a woman and causing minor damage, the police said.

The bomb was planted at the Dyna record firm factory in Caloocan City, near here, shattering its glass windows, it added.

A woman returning from Roman Catholic mass was injured during the explosion and was immediately taken to a hospital, the police said.

More than 50 minor bomb explosions have occured in and around the capital since July. Right-wing rebels were believed to be behind most of the attacks.

Release of 41 Political Detainees Announced

HK1712061290 Manila PHILIPPINE DAILY INQUIRER in English 17 Dec 90 p 1, 11

[Text] Forty-one political detainees who have been languishing in jail without formal charges will be released before Christmas, the Department of Justice [DOJ] announced over the weekend.

In a press statement, Justice Secretary Franklin Drilon said that 38 of the detainees have no pending charges against them while three other detainees, including a two-year-old girl and her mother, should be released on humanitarian grounds.

The release of the prisoners may coincide with President Aquino's annual grant of pardon to prisoners, which she announces on Christmas Day.

The detainees to be released for humanitarian reasons are Erlinda Lacaba, wife of suspected New People's Army political department chief Randall Echaniz; their two-year-old baby, Amanda Echaniz; and her babysitter, Nora Manguiob.

Echaniz, who will remain in detention, was arrested by military agents Aug. 3. His wife, daughter and household help were nabbed a day later, also for alleged involvement in subversive activities.

Drilon said Defense Secretary Fidel V. Ramos had already issued an order for the release of Lacaba and her child in pursuance of Letter of Instructions [LOI] No. 621 issued by Ms Aquino. The LOI provides that in cases where a couple is detained, one of them, preferably the wife, should be released to take care of their small children.

Despite Ramos' order, Lacaba and her daughter remained in detention. Justice Undersecretary Silvestre

Belo III, assigned by Drilon to carry out his directive, said the Constabulary was still waiting for a court order to release them.

Because of this, Belo directed assistant prosecutor Edgardo Garcia of Rizal to help facilitate court action for the release of Lacaba, her daughter and Manguiob, although the latter was not included in Ramos' order.

"It is the DOJ's position to include Manguiob in the release order," said Belo.

Belo said he had already informed government prosecutors from 14 provinces to work for the release of the 38 other detainees.

Last Friday, Belo urged relatives of more than 100 political detainees arrested more than 10 years ago but whose records have been destroyed to file petitions for habeas corpus with the Supreme Court so the detainees could be released from the National Penitentiary in Muntinplupa.

Most of these detainees who were convicted of crimes by military courts may have already served out their sentences. But they could not be released because their records were lost in a fire that destroyed the Armed Forces general headquarters.

Orbos Told To Revamp Malacanang

HK1412043190 Manila THE MANILA CHRONICLE in English 14 Dec 90 p 1

[By Lito Zulueta]

[Text] President Aquino has given her new executive secretary, Oscar Orbos, a sweeping mandate to restructure the Office of the President, Malacanang sources said yesterday.

The Mandate, officials said, includes the abolition of certain Cabinet subcommittees and support groups as well as the overhauling of Cabinet procedures, including the weekly Cabinet meeting.

Sources said Orbos preferred to have a monthly Cabinet meeting, since the weekly meetings are filled with dragging progress reports and briefing.

The monthly Cabinet meeting would then be devoted to crucial policy decisions.

Among the groups reportedly being considered by Orbos for abolition or restructuring are the Cabinet cluster system and the Cabinet Assistance System (CAS).

The former is composed of the Cabinet committees on agro-industrial development, macroeconomy and finance, human resource development, physical infrastructure support, and security and political development clusters.

CAS, on the other hand, identifies issues and agenda for the weekly Cabinet meeting.

Officials said Orbos is considering abolishing the two systems since they are perceived to have hampered decision-making, especially during crisis situations.

Orbos had reportedly complained that the cluster system and the CAS, composed primarily of undersecretaries, had been fond of deferring crucial policy decisions, aside from passing the buck to each other.

Orbos is also reviewing the performance of the one-year-old Presidential Executive Coordinating Secretaries System, instituted by Mrs. Aquino last year to help her coordinate interagency programs.

Orbos had also reportedly complained that there were too many "power centers" under the Cabinet committee system.

It was not known whether Orbos would replace key Palace officials with those who enjoy his confidence.

Observers say he may reserve that move in the coming weeks if he prefers to regard the issue as peripheral to the more urgent concerns of the day.

But the same observers do not rule out any dramatic changes in the face of calls for a thorough Cabinet revamp.

Police Chief Assures Readiness for Strikes

HK1312135990 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 13 Dec 90

[Text] Police authorities are ready for any planned protests during tomorrow's strike in relation to the continued opposition to the oil price hike. This was announced today by Colonel Romeo San Diego, Central Police District chief. San Diego said that his department was ready to respond in case the protest actions push through. However, he said that his people would remain calm if the demonstrators hold peaceful rallies.

Communist Guerrillas Raid Cebu Town Armory

HK1412062390 Quezon City Radyo ng Bayan in Tagalog 0500 GMT 14 Dec 90

[Text] Communist guerrillas raided the town of Sogod, Cebu yesterday and stole from its police armory. Sogod Mayor Adonis Montecillo said 30 NPA [New People's Army] rebels disguised as paramilitary constables hailed two small buses with the Sogod police chief on board and brought him to the municipal hall. According to the mayor who witnessed the events from his office located near the municipal hall, the three policemen and militiaman inside the building were immediately disarmed. The police lost four automatic rifles and four pistols.

2 Soldiers Slain in Ilocos Norte Communist Raid

HK1412062190 Manila DIYARYO FILIPINO in Tagalog 14 Dec 90 p 8

[By Fer Taboy]

[Text] Two Philippine Army [PA] soldiers and a Citizen's Armed Forces Geographical Unit [CAFGU] member were killed during a raid by communist rebels on a military camp in Sarrat, Ilocos Norte last Monday night.

In a report received by Major General Cesar Nazareno, chief of the PC-INP [Philippine Constabulary-Integrated National Police], 35 armed members of the New People's Army [NPA] raided the camp of the 9th Ilocos Norte Company of the 50th Infantry Battalion based at Barangay Eleven, Santa Rosa, Sarrat.

Killed in the raid were PA Corporal Pepito Gozon, CAFGU member Mauricio Anselmo and a still unidentified soldier.

Those injured were identified as Patrolman Manuelito Agudo and CAFGU's Charito Duldulao and Ronante Bolibol.

According to the report, the NPA rebels lead by six women members raided the camp while the soldiers and CAFGU members were resting at around 1900 [1100 GMT].

Regarding this, Nazareno has ordered officials of the Ilocos Norte Constabulary Command to intensify operations against the NPA.

Meanwhile, the PC-INP disclosed that U.S. soldiers and U.S. Embassy personnel are continuing their operations to rescue an American kidnapped by communist rebels last 19 October at Aparri, Cagayan. These personnel are assisting soldiers of the Armed Forces of the Philippines [AFP] in their rescue operations.

The U.S. troops lead by Lt. Col. James Philips of the U.S. Army and Thomas Murphy, counsel secretary [title as published] of the U.S. Embassy are helping in the rescue of Arvey Drown.

Communist Supporters in Negros, Mindoro Surrender

HK1312141390 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 13 Dec 90

[Text] Some 223 members of the communist movement from Negros Oriental and Mindoro Occidental surrendered to government authorities. According to Negros Oriental Provincial Commander Lieutenant Colonel Douglas Tanchongco, the surrender of New People's Army [NPA] supporters came as a result of a military operation. The surrenderees came from sitio ALabugan, Cadan-ugan, Balay-unan and Caday-angan at Talacsato, Negros Oriental.

Three NPA supporters surrendered to authorities in Mindoro Oriental.

Finance Secretary Leaves for Saudi Arabia

HK1412131390 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 14 Dec 90

[Text] The Philippines expects to receive financial assistance from Saudi Arabia. DZMM learned this from the office of Finance Secretary Jesus Estanislao. He accepted Saudi Arabia's invitation to go and meet with his counterpart to discuss economic interests between the two countries. The Philippine Finance Department announced the need for funds to support its economic recovery program. Saudi Minister of Finance and National Economy Muhammad Aba al-Khayl will meet Estanislao at Riyadh Airport.

Germany Reassures Importance of Investments

HK1412060190 Manila MANILA BULLETIN in English 14 Dec 90 pp 1, 3

[By Brenda Tuazon]

[Text] The Philippine will still be a priority investment area for the Germans after the two Germanys are reunited, Ambassador Peter Scholz said yesterday.

Although there is a heavy concentration of investments by the Germans in Eastern Europe, reunited Germany will balance its investment and aid programs in such as a way that Southeast Asian countries such as the Philippines will not be neglected, he said.

"Germany will stand by to its investment commitments to partners like the Philippines in both multilateral and bilateral levels, notwithstanding our big financial engagements in Eastern Europe," Scholz said.

He said, however, that German official assistance has to be spent within the period provided for under certain multilateral and bilateral agreements. Failure to use the money for the economic purpose intended, he said, would result in reduced economic assistance the following year.

This year, Germany's budget for trade and economic cooperation for Third World countries has been raised by three percent to 7 billion deutschemarks ($6 billion).

The trend in Germany in economic assistance, according to the envoy, is towards multilateral rather than bilateral arrangements. This means that the aid will be coursed through groups like the world financial institutions.

"Because of this, the volume of Germany's bilateral assistance will be reduced a little bit," he said.

Thailand

Further Reportage on Coalition Government

New Minister Appointments Announced

BK1412133090 Bangkok Domestic Service in Thai 1200 GMT 14 Dec 90

[Text] Announcement on appointment of cabinet ministers.

Royal Signature: Phumiphon Adunyadet

His Majesty King Phumiphon Adunyadet has instructed that it be announced that in connection with his appointment of General Chatchai Chunhawan as prime minister, with respect to the announcement dated 9 December 1990, Prime Minister General Chatchai Chunhawan has selected individuals suitable for cabinet minister posts to administer the country. The king has appointed the following cabinet ministers in accordance with Article 146 of the Constitution of the Kingdom of Thailand:

Bun-ua Prasoetsuwan, Chaloemphan Siwikon, Koson Krairoek, General Mana Rattanakoset, and General Athit Kamlang-ek as deputy prime ministers;

Sa-at Piyawan, Kon Thappharangsi, General Han Linanon, Police Lieutenant General Chamrat Mangkhalarat, Sora-at Klinprathum, and Sawat Khamprakop as ministers attached to the prime minister's office;
General Chatchai Chunhawan as defense minister;
Banhan Sinlapa-acha as finance minister;
Suchon Champhunut as deputy finance minister;
Chawalit Thanachanan as deputy finance minister;
Athit Urairat as foreign minister;
Charat Phuachuai as deputy foreign minister;
Narong Wongwan as agriculture and cooperatives minister;
Somphong Amonwiwat as deputy agriculture and cooperatives minister;
Udomsak Thangthong as deputy agriculture and cooperatives minister;
Warothai Phinyasat as deputy agriculture and cooperatives minister;
Samak Suntharawet as communications minister;
Prathuan Ramayanon as deputy communications minister;
Charoen Chaoprayun as deputy communications minister;
Suwat Lippataphanlop as deputy communications minister;
Amaret Sila-on as commerce minister;
Chuchip Hansawat as deputy commerce minister;
Chamnong Phothisaro as deputy commerce minister;
Police General Praman Adireksan as interior minister;
Sano Thianthong as deputy interior minister;
Phinit Chantharasurin as deputy interior minister;
Prakit Phatthanakun as deputy interior minister;
Watthana Atsawahem as deputy interior minister;
Uthai Phimchaichon as justice minister;
Anuwat Watthanaphongsiri as science, technology and energy minister;
General Thianchai Sirisamphan as education minister;
Bunthung Phonphanit as deputy education minister;
Sakun Siphrom as deputy education minister;
Piyanat Watcharaphon as public health minister;
Den Tomina as deputy public health minister;
Wirawon Sitthitham as deputy public health minister;
Pramuan Saphawasu as industry minister;
Saman Phumakanchana as deputy industry minister;
Prayun Suraniwong as deputy industry minister;
Yingphan Manasikan as minister of university affairs.

This is effective immediately.

Announced on 14 December 1990, being the 45th year under the reign of the present king.

Countersigned by: General Chatchai Chunhawan, prime minister.

Party Affiliations of Ministers Cited

BK1512022190 Bangkok THE NATION in English 15 Dec 90 p 3

["Chatchai II Cabinet Line-Up"—THE NATION headline]

[Text]

Prime Minister	Gen Chatchai Chunhawan	Chat Thai
Deputy Prime Minister	Bun-ua Prasoetsuwan	Chat Thai
	Chaloemphan Sivikon*	Solidarity
	Koson Krairoek	Prachakon Thai
	Gen Mana Rattanakoset	Ratsadon
	Gen Athit Kamlang-ek	Puangchon Chaothai
PM's Office Ministers	Sa-ad Piyawan*	Chat Thai
	Kon Thappharangsi	Chat Thai
	Gen Han Linanon	Chat Thai
	Pol Lt Gen Chamrat Mangkhalarat	Chat Thai
	Sora-at Klinprathum	Chat Thai
	Sawat Khamprakop*	Solidarity
Minister of Defence	Gen Chatchai Chunhawan	
Minister of Finance	Banhan Sinlapa-acha	Chat Thai
Deputy Ministers	Suchon Champhunut	Chat Thai

	Chawalit Thanachanan*	non-MP
Minister of Interior	Pol Gen Praman Adireksan	Chat Thai
Deputy Ministers	Sano Thianthong	Chat Thai
	Phinit Chantharasurin*	Solidarity
	Pakit Patthanakun*	Prachakon Thai
	Watthana Atsawahem	Ratsadon
Minister of Foreign Affairs	Athit Urairat*	Solidarity
Deputy Minister	Charat Phuachuai*	Solidarity
Minister of Agriculture	Narong Wongwan*	Solidarity
Deputy Ministers	Somphong Amonwiwat*	Solidarity
	Udomsak Thangthong*	Chat Thai
	Warothai Phinyasat*	Prachakon Thai
Minister of Communications	Samak Suntharawet*	Prachakon Thai
Deputy Ministers	Prathuan Ramayanon*	Chat Thai
	Charoen Chaoprayun*	Solidarity
	Suwat Lippataphanlop	Puangchon Chaothai
Minister of Commerce	Ammaret Sila-on	non-MP
Deputy Ministers	Chuchip Hansawat	Chai Thai
	Chamnong Phothisaro*	Solidarity
Minister of Industry	Pramuan Saphawasu	Chat Thai
Deputy Ministers	Saman Phummakanchana	Chat Thai
	Prayun Suraniwong*	Puangchon Chaothai
Minister of Education	Gen Thianchai Sirisamphan	Ratsadon
Deputy Ministers	Buntung Phonphanit*	Ratsadon
	Sakun Siphrom*	Chat Thai
Minister of Public Health	Piyanat Watcharaphon*	Solidarity
Deputy Ministers	Den Tomina*	Solidarity
	Wirawon Sitthitham*	Chat Thai
Minister of Science	Anuwat Watthanaphongsiri	Chat Thai
Minister of Justice	Uthai Phimchaichon*	Solidarity
Minister of University Affairs	Yingphan Manasikan*	Prachakon Thai

Note: * are new ministers.

King Urges Honesty Among New Cabinet

BK1712003190 Bangkok THE NATON in English 17 Dec 90 pp A1, A2

[Text] His Majesty the King yesterday called on members of the new Chatchai Cabinet to be honest in administering the country.

His Majesty was addressing the ministers after they were sworn in at Chitlada Palace.

He said the new ministers should make use of the remaining 18 months of the government's term to benefit the public and the country as best as possible.

"Please put your mind into the work and the work into your mind," His Majesty told the newly-appointed ministers, who were led to the ceremony by Prime Minister Chatchai Chunhawan.

Chatchai's three previous administrations were widely accused of being riddled with corruption. The prime minister was forced to reshuffle his Cabinet twice to shore up its sagging image.

The corruption charges by the Opposition, academics and student activists culminated in the death of a Ramkhamhaeng University student who set himself on fire on Oct 14 to protest corruption.

During that time the public witnessed public infighting among partners of the previous administrations over multi-billion-baht infrastructure projects, such as the Skytrain and a telephone expansion programme. The bickering led to military threats of possible interference in politics if "unwanted elements" were not dismissed from the government.

Chatchai was eventually forced to resign on Dec 8 after an attempt to reshuffle the Cabinet a third time was blocked by the Social Action Party [SAP], the second-largest government party.

He formed his new coalition by replacing the SAP, Democrat, Muan Chon and United Democrat parties with two oppositon groups, the Solidarity and Prachakon Thai. SAP, Democrat and Muan Chon had all been tainted by the corruption scandals.

Absent from yesteday's swearing in ceremony was Solidarity's Justice Minister, Uthai Pimchaichon. There was speculation earlier that Uthai would not accept the post because he objected to joining the government. While it was still in the Opposition, Solidarity was strongly critical of the government and alleged corruption.

The speculation about Uthai was disputed yesterday by Solidarity leader and Agriculture Minister Narong Wongwan.

Narong said Uthai was absent because he was on private business in Trat Province and had not returned in time for the ceremony because he thought that it would not be held until later this week.

Army Chief 'Skeptical' of Stability

BK1512023790 Bangkok BANGKOK POST in English 15 Dec 90 p 2

[Text] Army Chief Suchinda Khraprayun appeared skeptical about the new Government's stability in a speech he made last night, but refused to comment directly when questioned by reporters.

Addressing a thank-you party for organisers of a football tournament held to raise funds for Her Royal Highness the Princess Mother's charities, Gen Suchinda joked when he was told that the party was organised hastily because the people responsible for it had received instructions from him only two days earlier.

"It's good that you have managed to organise it in two days. If you were slower than this, nobody can tell how many governments would have changed," Gen Suchinda said.

He said the football tournament was held on November 2.

"Since then we have already changed two Cabinet lineups," Gen Suchinda said.

The army chief took time off from the party to listen to the announcement of the new Cabinet.

He then joked: "You see, the ministers who played against me all lost their posts."

Gen Suchinda was apparently referring to the football tournament in which he and other senior armed forces commanders played against alumni members of Thammasat and Chulalongkon universities, several of whom were members of the previous Cabinet.

In his speech to the gathering, Gen Suchinda thanked the organisers of the football tournament and urged them to continue to perform their duties for the benefit of the country and to "continue searching for a good government."

Talking to reporters after the party, Gen Suchinda refused to say what he thought of the new Cabinet lineup.

"I haven't heard about the appointments yet. I cannot comment on it," he said.

Asked if he believed that the new Government, containing two former opposition parties, would be a better administration, Gen Suchinda said that in principle it should be better.

"The Opposition used to criticise the Government. Now it can have a chance to show its capability," Gen Suchinda said.

The army chief refused to comment when asked if Prime Minister Chatchai Chunhawan would be able to restore public confidence in the new Government.

"You'll have to ask the people. Don't ask us to get involved in this type of exercise," he said.

Asked if he believed the new administration would be a stable one, Gen Suchinda said he believed Gen Chatchai had tried his best in forming the new coalition and should be given a chance to make it work.

He said that the 227 seats the coalition had in Parliament would not be the key factor in determining the Government's stability.

"A good government can stay very stable even if it has only one seat above the simple majority margin," Gen Suchinda said.

Image Problems of Premier Noted

BK1712023990 Bangkok THE NATION in English 17 Dec 90 p A10

[Editorial: "The Image Problem"]

[Text] The PM's [Prime Minister's] policy advisers and their hand-picked spokesman for Government House, M.R. Pridiyathon Thewakun, must not confuse poor government public relations with the highly negative public image of Premier Chatchai Chunhawan and his new coalition.

Ban Phitsanulok made a clever choice in recruiting the Wharton educated 43-year-old vice president of Thai Farmers Bank. M.R. Pridiyathon is widely recognized as a brilliant banker who is also well liked for his down-to-earth friendliness. His personal acquaintance with some of the advisers will be another big plus. His predecessor, Suwit Yotmani, was gradually left more and more in the dark because he couldn't get along with the advisers.

Now there is talk about Ban Phitsanulok getting a big say in key state-owned electronic media, particularly TV Channel 9 of the Mass Communications Organization of Thailand [MCOT] and the Public Relations Department, [PRD] including Radio thailand. Both MCOT and PRD will, for a change, likely come under the supervision of PM's Office ministers from the premier's Chat Thai Party. In the previous government, Chalerm Yubamrung of Muan Chon and Khunying Suphatra Mastsadit of Democrat controlled MCOT and PRD respectively.

With the state-owned electronic media under its influence (and assuming that the government media's credibility will gradually increase), Ban Phitsanulok hopes to "improve" the image of Premier Chatchai and his administration by keeping the public better informed of his work and "accomplishments". M.R. Pridiyathon will lend his expertise in explaining national economic issues and articulating government policies with the help of academics and other experts. Press releases on Cabinet resolutions, for instance, will contain more details in plain language that people of all classes can understand. Moreover, they will also include background and analyses of their implications whenever possible so that people can relate to the Cabinet's decisions.

This is certainly a welcome initiative. Ban Phitsanulok and M.R. Pridiyathon should go one step further by introducing some glasnost (openness) in government administration. The media and the people should be informed of all important public issues pending Cabinet deliberation, especially those involving long-term national policies and major infrastructure projects. This would encourage open public debates and minimize wrongdoing in hush-hush deals that seems to be the standard operating procedure of some veteran politicians.

This will also require a deeper understanding of the concept of freedom of information, which, unfortunately, Ban Phitsanulok still lacks. Most of the PM's policy advisers see the independent press more as an enemy than a potential ally. They have complained about newspapers thriving on "rumours" about the premier and ignoring his "accomplishments".

Their complaints crept into the premier's speech to the national assembly of journalists last Monday. But at the same time they kept Suwit and other government spokesmen in the dark. Consequently Suwit and his office couldn't help counter "rumours" with facts.

In order to ensure a free flow of information, government offices not dealing directly with military and national security affairs must be made more accessible to the media and everyone interested in learning about a particular public issue. Cabinet members, elected politicians and senior government officials must recognize "the right to know" of the media and people as an indispensable part of democracy. This will require a drastic change of attitude—a change that realistically, may never happen in this country.

Just look at those politicians who used to be in the Opposition but now are inside the new administration. After their appointment to the Cabinet they transformed into strangers to the press overnight, whereas before this they literally begged reporters to interview them.

These politicians, with their short memories and low self esteem, will almost certainly be liabilities for the new administration. Their presence has already spoiled the government's image, probably for good, and no amount of brilliant public relations work can correct this.

But once again, the basic reason for this poor image is Premier Chatchai's lack of leadership or credibility. His weaknesses are real, not perceived or the fault of poor public relations. His lack of control over his own party, for example, is obvious and wellknown. The noisy infighting in Chat Thai for important Cabinet posts last week could be heard across the country.

What Ban Phitsanulok and the new Government House spokesman can do, apart from promoting openness in government and advocating a free flow of information, is simply to encourage Premier Chatchai to show sustained serious interest in national issues. The premier must stop the "no-problem" refrain and tell peole clearly what the problems are and what he plans to do to solve them.

Then he can leave it to his advisers and M.R. Pridiyathon's team to fill in the details. With openness in government and freedom of information the media, the independent press, in particular, can help explain the problems and stimulate debate on how to resolve them.

In the final analysis, the ability of the premier and his administration to resolve chronic problems is what really counts as far as people are concerned.

Cabinet Based on Self-Interest

BK1512040190 Bangkok THE NATION in English 15 Dec 90 p 8

[Editorial: "Chatchai's Last Chance"]

[Text] In the last few days before the new government coalition was formed, all we heard were reports of squabbles among parties scrambling for a piece of the pie. The two parties that pulled out, Democrat and Social Action, did so because they couldn't get enough Cabinet seats, not because of any serious conflict over the coalition's policy.

Solidarity and Prachakon Thai joined the coalition because they could get what they wanted, not because they agreed with Chat Thai on any single national issue. Their demands were not excessive because these two former opposition parties had been out in the cold for so many years. Their leaders were willing to accept anything that Chat Thai leaders were ready to throw them.

Chat Thai ended up with nearly half the seats in the new Cabinet, controlling the key interior, defence, finance and industry ministries, as well as the PM's [Prime Minister's] Office. Premier Chatchai Chunhawan and the Chat Thai leadership also played a dominant role in assigning Cabinet posts to the four others in the coalition. This led Social Action leader M.R. Khukrit Pramot to charge, quite rightly, that the premier's party was trying to monopolize power.

With 227 MPs [members of Parliament] in the 357-member House, Premier Chatchai still has a comfortable majority, though not the overwhelming majority of 297 MPs from six parties that he wished he had. For practical reasons, he and his party have to give their new "friends" from Solidarity and Prachakon Thai enough incentives to behave and pull together to face the challenges of the formidable Opposition.

But the biggest question mark now is Solidarity, which has 62 MPs. A large group of Solidarity members, notably Bunchu Rotchanasathian and Wira Musikaphong, strongly opposed their party switching sides.

These dissidents can stir up quite a lot of trouble—and they will certainly start kicking up dust as soon as they can.

Another big question is how Deputy Prime Minister Chaloemphan Siwikon and Public Health Minister Piyanat Watcharaphon of Solidarity can possibly work for the premier. Only last week these two were calling him names and ridiculing him as a "political hostage" of Chaloem Yubamrung. Their memories seem to be failing them badly.

Samak Suntharawet of Prachakon Thai, too suddenly abandoned his long-held stand of demanding a House dissolution and joined the coalition when he was offered the communications minister post. What does he expect to accomplish? All the major infrastructure projects left behind by his precessor took years to take shape. But this coalition may not last until mid-1992, the end of the four-year term of the current House. The most he can do is to start "reviewing" all existing major projects.

Premier Chatchai is now a political hostage of his own coalition government. He and his policy advisers will have to concentrate on placating other Chat Thai faction leaders as well as the leaders of Solidarity and Prachakon Thai. How long can he hope to stay under such pressures?

We hope it will not take him too long to realize that his new coalition was a failure from the start. Most of the Chat Thai Cabinet members are same old faces, and bear little resemblance to the "good, honest and effient" men he promised he would appoint to his new Cabinet.

Once again the premier is having a hard time keeping his promises to the nation. His two new coalition partners, Solidarity and Prachakon Thai, cannot be of much help either, as they have joined the government purely for their own interests.

Chatchai Coalition Called 'Vulnerable'

BK1512051190 Bangkok THE NATION in English 15 Dec 90 p 8

[Editorial attributed to "the Political Desk": "PM Chatchai's Weaknesses Grow"]

[Text] On Thursday after Democrats pulled out and Social Action's leader M.R. Khukrit Pramot was blowing hot and cold, Premier Chatchai Chunhawan was desperate. He began to try to contact Samak Suntharawet, leader of Prachakon Thai. But Samak, whose party has 31 MPs, was reluctant to talk to him.

Samak knew Premier Chatchai wanted—and needed—Prachakon Thai in the new coalition. He toyed with the idea of staying out and urging the premier to dissolve the House and call a general election. But he changed his mind and eventually accepted the premier's phone call.

The premier did invite him to join and offered him a choice of either the agriculture or the commerce portfolio. Samak quickly reminded the premier that his Prachakon Thai is a Bangkok-based party; 20 of his 31 MPs, including Samak himself, were elected from the capital. He needed "something" that would help his party boost its image and popularity to compete with Phalang Tham of Bangkok Governor Chamlong Simuang.

Samak first asked for the interior portfolio, which would make him a formal superior of Governor Chamlong. But Premier Chatchai couldn't give him this influential post because both Banhan Sinlapa-acha (incumbent) and Praman Adireksan (Banhan's predecessor at the interior post) were fighting over it. Banhan also made clear to the premier he didn't want to give up the post—much less to have it passed on to Samak, his long-time rival.

The premier urged Samak to consider other posts. And Samak Quickly jumped at the communications portfolio which he last held in the Prem IV administration until 1986. And the premier agreed; he had to because he couldn't find any other party to fill the void left by Democrats (48 MPs).

By Thursday evening, it became clear to the premier and his Chat Thai (92 MPs) that Social Action (53 MPs) was making excessive demands. It refused to give up the communications portfolio which its secretary general, Montri Phongphanit held in the first Chatchai administration. It wanted the commerce portfolio back, and more importantly it refused to take a smaller quota of Cabinet posts than Solidarity even though it has 9 votes less.

Social Action was thus kicked out—even though M.R. Khukrit said in Chiang Mai there was still a 50 percent chance of his party joining the new coalition. The Guru of Suanplu was supposed to come down to preside over an urgent party meeting in Bangkok today to vote on this question. Apparently caught unprepared by the sudden turn of events, M.R. Khukrit remained at his resort home in the northern province yesterday.

With M.R. Khukrit becoming a defacto opposition leader, Premier Chatchai's position has became even more vulnerable. But Premier Chatchai and his Chat Thai may feel the Social Action leader's support is no longer indispensable. After all, the military top brass have promised to give the new administration one last chance. Moreover, M.R. Khukrit's influence and credibility have eroded steadily since he edged out former Foreign Minister Sitthi Sawetsila from the party leadership last August.

What worries Premier Chatchai more is Chaloem Yunbamrung, the ex-deputy education minister, who used to be a tenacious political bodyguard of the premier. In order to block Chaloem's offensive in the House, Premier Chatchai at first called for a coalition of six parties with a total strength of 297 MPs in the 357-member House. There would be only 60 MPs in the Opposition, 12 too few to call a no-confidence debate which requires a minimum vote of one-fifth the total House membership.

The premier would rather risk being labelled a "parliamentary dictator" than face Chaloem in a no-confidence debate. Chaloem is known to have amassed a great deal of inside information about Premier Chatchai and other senior Chat Thai members while he served as minister attached to the PM's [Prime Minister's] Office during the first two years of the first Chatchai administration. Some of his Muanchon followers have threatened to "expose" questionable records of some key politicians in the new coalition.

In addition to Chaloem and his vindictive party of 5 MPs, the new Chatchai coalition will also face a very strong challenge from the combination of Social Action, Democrat and Phalang Tham. M.R. Khukrit, who is not an MP, can undercut the administration with his widely-read "Soi Suanphlu" column in the SIAM RAT.

Instead of 297 MPs from six parties, Premier Chatchai's new coalition of five parties has only 227 MPs, 18 fewer than his previous coalition.

Worse still, his new coalition depends directly on Solidarity to maintain control of a majority vote in the House. Should for any reason Solidarity, or a majority of its 62 MPs, rebel, the new coalition will collapse. This is quite conceivable, judging from the poor discipline and lack of political integrity in this party (which was formed by the merger of four parties).

On top of the unreliability of Solidarity, Premier Chatchai also faces the growing unruliness inside his own party in which several senior politicians were passed over when the new Cabinet was formed. Some Chat Thai powerhouses also failed to get Cabinet posts of their choice. Banhan, for instance, was quite unhappy with his new post at the Finance Ministry.

The return of Praman to the interior minister post represented a political comeback of the 77-year-old veteran who, along with Premier Chatchai, co-founded Chat Thai in 1974. Praman was the first leader of the party until he stepped down in favour of Chatchai in 1986.

Premier Chatchai helped Banhan wrestle the interior portfolio from Praman in January to reduce Praman's influence. The stated reason then was to end Praman's conflict with Governor Chamlong who won a landslide re-election to head the Bangkok Metropolitan Administration on Jan 7. With Praman back as the interior minister, the premier can expect renewed friction between Praman and Governor Chamlong.

Praman and his faction seem to have teamed up with Pramuan Saphawasu, a deputy Chat Thai leader, in inviting Solidarity to the new coalition and in booting out Social Action. Praman's influence inside the core-government party has thus increased significantly.

At the same time, Premier Chatchai will find Praman and Pramuan more difficult to please and handle. Worse still, now he may not have Banhan backing him like he used to do.

Since Premier Chatchai has indicated a strong intention to wash his hands from politics after completing his four-year term in mid-1992, he is less able to command support from other senior Chat Thai politicians who naturally look after their political futures first. This is why it is widely believed that Premier Chatchai will not have another chance at forming another coalition.

His latest one will be his last. And because of his growing weaknesses, he may not able to keep it together until mid-1992. Chances are that it won't even last until Parliament reconvenes in early May next year.

Cabinet Evokes 'Memories of Conflict'

BK1512045190 Bangkok BANGKOK POST in English 15 Dec 90 p 4

[Editorial by Banyat Thasaniyawet: "Torrid Times Ahead"]

[Text] Once again Prime Minister Chatchai Chunhawan has done the unexpected by pulling the main Opposition party, Solidarity, into the Government and cutting loose the Social Action Party and M.R. Khukrit Pramot, who has been the leading supporter of his past administrations.

Although the inclusion of Solidarity and Prachakon Thai gives the Chatchai administration a new look, a sense of deja vu emerges as a far as Chat Thai appointments in key portfolios are concerned. And while the reshuffle is aimed at clearing the air, there is unlikely to be any honeymoon period.

The new Chatchai administration will in the end have to prove, in the remaining period in office should it serve out the term, that it is sincere in being a government of "honesty and efficiency."

Events leading up to yesterday's reshuffle were certainly swift. When Gen Chatchai proposed that the coalition comprise of six parties with an absolute majority of 297 MPs in a 357-member House, the Democrats left, choosing to counter what was widely described as a parliamentary dictatorship.

With the Democrats choosing to leave, the SAP miscalculated, believing that it had more bargaining power and did not need to rush into a decision, choosing to wait until today to decide. In the final analysis, the SAP simply missed the bus.

No one expected Chat Thai would move so quickly.

M.R. Khukrit Pramot is probably hurting or feels stabbed in the back since the SAP and Chat Thai were once in the same boat but all of a sudden a switch took place without prior warning.

Apart from their statements that they disagreed with the six-party proposal, the Democrats probably also felt that they stood a better chance in future polls standing in the Opposition, particularly since the party is knowledgeable of the ins and outs of past Chatchai administrations.

Already, comments have emerged that this government may not last long. And if this is the case, a dissolution may not be far off—a prediction made by Solidarity

Deputy Secretary-General Piyanat Watchararaphon during the negotiations on Thursday afternoon.

Politics in the coming months is certain to be torrid if not colourful with core members of the Opposition in the government and core coalition partners in the Opposition.

Political analysts agree that yesterday's reshuffle removed the obstacles to good government-military ties, namely the exclusion of Capt Chaloem Yubamrung and Montri Phongphanit from the coalition and the transfer of Banhan Sinlapa-acha from the Interior Ministry.

But the move is expected only to improve current ties to a certain extent and that cordial ties of the past are unlikely to return since the wounds, caused by the lack of trust, will not be easily healed.

While it may come as a surprise that Solidarity will oversee foreign affairs with Dr Athit Urairat as minister and Mr Charat Phuachuai, the essential thrust of Thai foreign policy over the past two years is not expected to change. Admittedly, Solidarity did not want to be placed in charge of this ministry, saying that it was not capable and that the policy was confusing and unclear.

Solidarity's Bunchu Rotchanasathian was offered the post but he rejected it because he did not think the party should join the Chatchai government until after a general election.

Key Solidarity members, however, are not altogether unfamiliar with foreign policy issues, particularly on Indochina. The party's House Foreign Affairs Committee members Sutham Saengprathum and Phiraphan Phalusuk hold similar views on Indochina as Gen Chatchai's policy advisers and for these reasons the prime minister can be expected to continue playing a dominant role in this area.

But a close examination of key ministerial posts, even though the personalities have changed, brings back old memories of conflict and problems.

Political analysts believe that chances of controversy emerging in the Communications Ministry is possible. These controversies, the analysts say, could be linked to the work and projects managed and initiated by former Communications Ministers Montri and Banhan.

During the last no-confidence debate, Prachakon Thai leader Samak Suntharawet chose to single out one target of attack—Mr Montri—claiming that he had sufficient information to grill the SAP secretary-general.

Mr Samak was originally offered the agriculture portfolio, but refused to accept it and demanded as a condition of Prachakon Thai's inclusion in the coalition the Communications Ministry. Analysts do not rule out the possibility of key and multi-million baht projects initiated by Mr Montri being placed under review by Mr Samak.

The appointment of familiar Chat Thai faces in key ministries also brings back memories of conflict. In yesterday's change, Chat Thai Secretary-General Banhan left reluctantly from Interior to assume the crucial Finance post. Even though he will have former Bank of Thailand Governor Chawalit Thanachanan as his deputy, he will probably follow in the footsteps of another Chat Thai predecessor—Pramuan Saphawasu.

Because of his lack of knowledge and experience in the intricacies of financial and monetary policies, it should not come as a surprise if Mr Banhan appoints a number of professional advisers just like Mr Pramuan did. Even so, he will probably not be comfortable enough to make his own decisions or initiate ideas as he did in the Interior Ministry.

Pol Gen Praman's return to the Interior Ministry immediately conjures up images of conflict between himself and the popular Bangkok Governor Maj-Gen Chamlong Srimuang of Palang Tham, and criticisms prompted by the seemingly unending line of about 100 "advisers" in the halls of the Interior Ministry.

Political observers hope that Gen Praman will remember the causes of conflict when he headed the ministry and the sudden transfer he faced when the rift with Maj-Gen Chamlong boiled over.

Political analysts said that another area for potential problems that needs monitoring in the new Chat Thai administrtion lies in Chat Thai Party itself. The reshuffle did not satisfy everyone, particularly Mr Banhan, who was reportedly most reluctant to move until the last minute.

Dissatisfaction could become aggravated by the fact the Gen Praman was allowed to return to Interior while another party stalwart, Minister Pramuan was allowed to retain his current post.

One crucial obstacle facing this new adminsitration is the administration itself. While there are new faces in the Cabinet, the coalition government may not have time to enjoy the traditional honeymoon period. The new Chatchai coalition must still prove that it is, in the words of Gen Chatchai, a government of "honesty and efficiency," so as to wipe out the still lingering perception of corruption and vested interests.

In other words, the people are still watching.

Prospects of Cabinet Changes Viewed

BK1612033090 Bangkok THE NATION in English 16 Dec 90 p B1

[Text] The sweeping Cabinet changes last Friday gave rise to uncertainties over ministerial policies and vital projects still on the drawing board, particularly at key ministries with new bosses.

The outstanding ones are the Interior Ministry which will see the return of of Pol Gen [Police General] Praman

Adireksan, the Finance Ministry whose technocrat Wiraphong Ramangkun was replaced by Chat Thai's powerful Banhan Sinlapa-acha, the Communications Ministry which will come under Prachakon Thai leader Samak Suntharawet once again; the Industry Ministry also with Pramuan Saphawasu back at the helm, and the Foreign Ministry which will be controlled by new faces from the Solidarity Party—Dr Athit Urairat and Charat Phuachai as minister and deputy minister respectively.

The Commerce Ministry is, however, still in the competent hands of Ammaret Sila-on, the only one of the three non-MP administrators who survived the political upheaval caused by Prime Minister Chatchai Chunhawan's resignation and reappointment. Excluding ministers without portfolios, the other non-politician in the Chatchai II Cabinet is former Bank of Thailand Governor Chawalit Thanachanan, who was named deputy finance minister. This very small lineup certainly includes the defence portfolio which the premier himself is still holding, reluctantly.

And the two non-partisan ministers appear to be the actual prime minister's men in the Cabinet, which was formed hastily out of political necessity at a time when the premier's leverage was at its lowest point with politicians from the five parties in the new coalition having a stronger say than before.

Many may argue that the premier should have greater hold in the new Cabinet because many senior Chat Thai members are holding key ministries. They include Pol Gen Praman, who is party's chairman, Banhan as secretary general, Pramuan Saphawasu, who is senior deputy leader, to name a few. But as it has happened so often since the premier took office more than two and a half years ago, it has not been easy for the premier to influence his senior ministers particularly on issues which directly concern their individual partisan interests and prestige.

Prime Minister Chatchai hopes that with Ammaret and Chawalit, he could be able to exert influence in the important spheres of commerce and finance and with his high profile on diplomacy in the past years, he could also call the shots on foreign affairs as well. But whether his intention to forge a team out of the three ministries would succeed is still under question.

The first major question is whether he can really command the new finance minister, who is a tough administrator going by his previous record, and the foreign minister, whose Solidarity Party's leverage vis-a-vis the premier and Chat Thai was obviously stronger than its replacement—the Social Action Party which has held the important portfolio for years. One handicap that may affect Dr Athit is he can be preocuppied with his personal enterprises, such as the Phraya Thai Hospital and a few other time consuming projects, including a multi-million baht health centre programme.

But, he has the mental muscle along with material wealth. Dr Athit has a solid academic background related to Foreign Affairs. He possesses a bachelor degree in political science from Chulalongkon University, a masters in international relations and a doctorate in public administration from the United States. Athit's personal wealth is seen by some Foreign Ministry officials as supporting his political strength, inside and outside the party.

With the next election only 18 months away (probably earlier than that), Dr Athit may also feel the pressure to come up with his own achievemnets to boost his chance of being elected and this may result in clashes with the premier, who also intends to exert himself fully in the diplomatic arena for the rest of his term.

Conflicts over policy differences, however, may not be the case. Both the premier and the new foreign minister have business backgrounds and may see eye to eye on the premier's policy emphasis on the "non-confrontational" aspects of Thai diplomacy and promotion of regional peace and cooperation with Indochinese neighbours. And with his high profile on the Cambodian problem and as head of government, the premier may also be in a better position than Athit to run the show on the Cambodian conflict.

But Banhan's advent to the Finance Ministry caused a stir among the banking and business communities, many of whom feel that the country needs a man who knows the nuts and bolts of finance and monetary affairs particularly at a time when the economy is threatened by the unhealthy international environment, including the Gulf crisis, the fluctuation in the world crude prices and the prospects for an economic slowdown in industrialized countries.

Most businessmen and central bank officials reacted to Banhan's appointment with similar concerns.

Banhan's appointment revived the sentiments they had when Pramuan Saphawasu took the finance office in 1988. The difference was their feeling that the country was lucky it was enjoying an economic boom when Pramuan took over as finance minister.

The major concern is whether Banhan, who is a tougher politician than Pramual, would retain Wiraphongsa's drastic move to increase the ceiling of the lending interest rate from 16 per cent to 19.5 per cent, or drop it for political reasons. The drastic measure by Wiraphong was unpopular although it was a necessary step to cool the overheated economy, ease the shortage of deposits in commercial banks and prevent the emergence of dangerous lending on the black market.

"If Banhan proposed a change to the ceiling, it would certainly spark confusion and disorder in the financial market," said one banker who asked not to be named.

Another major worry is how Banhan would make use of the government's huge reserve of up to Bt97 billion. Theoretically, the reserve should be used mainly to reduce the country's debts but with only 18 months before the next polls, politicians will be inclined to spend money extravagantly to please the public. Another possibility is that the reserves could be allocated to projects which would serve partisan interests.

Apparently aware of the risks, the premier sought an agreement by Banhan to let Chawalit to look after the monetary side of the Finance Ministry's authority and to work with the Bangkok of Thailand. But central bank officials were still concerned, saying that Banhan was a tougher politician to deal with unlike Pramuan, whose support in Chat Thai is far less than the secretary general's.

The finance minister also has legitimate powers to overrule any action by his deputies.

At stake are also Wiraphong's policy to further liberalize the financial market, develop the Securities Exchange of Thailand into a credible long-term source of capital mobilization and to reform outdated tax laws, including the redundant business tax which should be replaced by the value added tax.

Praman's return to the Interior Ministry also disturbed the officials. He was transferred to the Industry Ministry last January following incessant conflicts with the Bangkok Metro politan Administration [BMA] of Phalang Tham leader Maj Gen Chamlong Simuang.

His return thus opened up the strong possibility of showdowns being revived between the ministry and the BMA.

It also gave rise to the possibility of purges and clashes with top-ranking officials at the Interior Ministry.

Pol [Police] Director General Pol Gen Sawaeng Thirasawat, who was picked by Praman and was reportedly at odds with Banhan, may be happy with the Chat Thai chairman's return, but permanent secretary Anan Anantakun would predictably feel discomforted.

When Praman was at the helm of the Interior Ministry, Chatchai was pushing for Anan's return to Government House, where he served as Cabinet secretary general, to the top of the Interior Ministry's bureaucracy last year but Praman rejected the move and instead nominated Chalong Kanlayanamit, then deputy permanent secretary, as Phisan Munlasatsathon's successor.

The brothers-in-law were stuck in a stalemate over their different preferences, resulting in the compromise appointment of former Local Administration Director General Anek Sitthiprasat last October. But after Pramarn's transfer to the Industry Ministry, Anant replaced Anek, who was moved across to the PM's [Prime Minister's] Office last March.

Praman's return also resulted in uncertainties over the Bt40-billion skytrain project which is to be undertaken by Lavalin Co Ltd after the Cabinet had approved its nomination by Banhan.

It is no secret that Lavalin had the backing of the prime minister while its rival Asia Euro Consortium (AEC) had Praman's blessings when the Chat Thai chairman was in control of the Interior Ministry. When Banhan moved into the interior office, he reportedly seized the opportunity to side with Lavalin, avoiding a confrontation with the premier.

Now with Praman back at the Interior Ministry, Lavalin could feel most insecure. The draft contract between the Express Rapid and Transit Authority of Thailand (ETA) and Lavalin has yet to pass the public Prosecutions Department and the Cabinet before it could be signed and become final.

Other major projects underway under the purview of the Interior Ministry are:

—The construction of the third phase of the expressway in the outskirts of Bangkok. The ETA is negotiating with Obayashi-Italian Thai Development consortium on the latter's proposal to invest in the project.

—The drafting of ministerial regulations to control the height of highrise buildings. Since the regulations would greatly affect real estate investors and businessmen, the authorities concerned were faced with intense lobbying, resulting in a delay in their issuance. The major question is the Far (floor-area ratio) which was tentatively set at 6:1 but political and business lobbyists have been seeking to increase the ratio to allow for the construction of higher buildings in constricted, expensive areas.

At the Commnications Ministry, many more infrastructural projects are waiting clearance to take-off. Informed sources said Samak promised the premier that he would not delay or derail the ones in the pipelines. That may be the case only with those to which the premier has attached importance, for instance the multi-billion project by the consortium of Charoen Phokphan [CP] Group and British Telecom to increase the telephone lines by three million.

Samak is also expected to revive the projects which he initiated when he was communications minister under former Premier Gen Prem Tinsulanon but which were shelved for one reason or other.

These include the controversial project to convert a fleet of 36 public buses owned by the Bangkok Mass Transit Authority. The project was initiated by former Deputy Communications Minister Bunthiem Khemaphrat when Samak was running the ministry. The project with aid from the New Zealand government was put on ice when Samak lost his communications portfolio.

The plan to buy a fleet of Vanhool buses was also shelved by Gen Prem after Samak's departure from the ministry. The negotiations between the Communications Ministry and the Canadian company were in the final stages when it was put on hold.

Projects left behind by Samak's predecessor, Montri Phongphanit include:

—The telephone expansion project which was given to the CP Group and British Telecom. The signing of the contract has been delayed by the unresolved issue of who, between the investor and the Telephone Organization of Thailand, should keep the deposits placed by applicants for new telephone lines. The deposits would amount to Bt9 billion.

The prospective contractor wants to keep the deposits, arguing that it was part of the revenue structure proposed by the consortium and approved by the Cabinet. but the TOT Board of Directors want to keep the funds. The issue is under consideration by the Public Prosecutions Department.

—The revival of the project to construct an international commercial airport in Nong Ngu Hao area in the eastern suburb of Bangkok. Samak opposed the project when he was communications minister, contending that the alternative plan of expanding the Don Muang International Airport was more feasible.

—Another mass transit project waiting to take off is the Hopewell project to construct an elevated community train. The contract for Hopewell to undertake the Bt70 billion project was recently signed but the dispute over whether the company would receive investment promotion from the Board of Investment has hampered its launching.

—The project to construct an elevated highway above the Saen Saep and Maha Nak canals is also under consideration by the Secretariat of the Cabinet. The only bidder for the project of the Communications Ministry is the real estate group of Khunying Patchari Wongphaithun, dughter of Democrat leader Phichai Rattakun.

The project has run into opposition from residents whose land could be expropriated and environmentalists who fear that the lead content from automobile exhaust could pollute the canals' waters used for the production of tap water.

—The Bt3-billion project to launch a satellite. A selection committee of the Communications Ministry has concluded the study on the proposals submitted by THAISAT of Chat Thai MP Piya Angkinan, the Hwa Kai Thai Company of the Kanchanaphak family and Shinawat Computer Company.

The committee had submitted their recommendations to the previous communications minister, awaiting his decision on the selection of the bidder.

Shinawat Computer has been a strong candidate until Samak replaced Montri last Friday. It is known that the Prachakon Thai leader was locked in conflict with the company in the past.

Papers Welcome Government, Ministers

BK1512150190

[Editorial Report] Three Thai language dailies—THAI RAT, SIAM RAT, and NAEO NA—on 15 December carry editorials welcoming the new cabinet formed by Prime Minister General Chatchai Chunhawan, which was announced on 14 December.

THAI RAT's 800-word editorial on page three, entitled "Be a Support for the People," welcomes the fact that the new coalition controls only 227 votes in the 357-member parliament, with the opposition having 130 votes. The paper says this is a healthy sign for democracy. The new government must be cautious in implementing policies and conducting administration as it will be subject to checks by strong opposition. This will indirectly result in a better government to benefit the common cause.

The editorial says: "The parliament should be a new hope for the people now with the Democrat Party as the opposition core and the Social Action Party as its backup. Those new opposition parties which used to be in the coalition should perform their duties sincerely to protect the interests of the people. Their performance should be guided by reason, not by grudges. Meanwhile, the former opposition party which has now become the government should abide by its principles and refrain from doing what it once blamed the government for doing."

SIAM RAT's 800-word editorial on page eight, entitled "To the New Cabinet," congratulates the newly appointed ministers and reminds them that "they have attained this high position as a result of the prime minister's efforts to improve the image of his government, which was labeled corrupt. The ministers with poor reputations and lacking public trust have been dropped from the cabinet lineup." The editorial calls on the new team to uphold their principles and perform their duties with dedication for the good of the country and people. It also reminds the new ministers that there are problems waiting for them to solve, including the high cost of living, the growing gap between the rich and poor, industrial pollution, and diminishing acreage for cultivation.

NAEO NA's 800-word editorial on page four, entitled "Message to Their Excellencies," offers congratulations to the newly appointed ministers. Ministers come and go, but only those with a sense of duty and sacrifice for the nation are remembered by the people. The paper notes: "The people are of a better quality now in terms of their political awareness. They made it clear that they do not want crooked and ignorant politicians in power. They made their stand quite clear, and this is why you have stepped up to this high position," the editorial says. It hopes to see the new cabinet ministers place national interests above personal and party interests.

Bunchu Dissents; Suchinda Supports Chatchai

BK1512024190 Bangkok THE NATION in English 15 Dec 90 p 1

[Text] Solidarity Party deputy leader Bunchu Rotchanasthian said in a statement yesterday he had decided to stay out of the new government because he objected to his party joining in.

Bunchu said the Solidarity Party, the biggest opposition party, should have waited until after the next general election when it would have a larger influence in forming a new administration and would be better able to implement the party's policies.

He also questioned the wisdom of joining the new Chatchai administration which he described as being "hastily organized under dubious circumstances" which resulted in two former coalition parties, Social Action and Democrat, opting out.

"In my opinion, one must take into consideration the policies of individual parties in order to arrive at one set of collective policies to be used in administering the country. Jockeying for Cabinet posts should be a low priority," the deputy party leader said.

Bunchu said judging from the performance of Prime Minister Chatchai Chunhawan, it was "risky" to join the government at this time.

"I would rather take time to strengthen our party,formulate a practical political platform and try to win grassroot support from voters," he said.

A source close to Bunchu said the deputy party leader had strongly criticized party leader Narong Wongwan, who he said had been preoccupied with Cabinet posts rather than pushing for the implementation of party policies.

Bunchu regards Chatchai as a destroyer of the party system who cares for nothing but his own political survival, the source said.

The source also said that under a tentative arrangement, Bunchu was offered the post of foreign minister but he declined because he had virtually no experience in foreign affairs and would rather take the post of finance minister.

Bunchu was deputy prime minister and finance minister under the leadership of former prime minister Prem Tinsulanon.

Army Commander-in-Chief Gen Suchinda Khraprayun said yesterday the military would support the new Chatchai government.

Suchinda arrived at the Army Auditorium for a party in the evening while most guests were listening to radio announcement of the new Cabinet lineup.

Asked if the military would support the new Cabinet, Suchinda said: "It's the duty of permanent officials to support the government."

But he declined to predict whether the new administration would fare well.

"You must ask the people," he told reporters.

Suchinda, however, said the new government would be stable at least for the time being because it comprises two former powerful opposition parties.

"When opposition MPs [members of parliament] become government members, they will stop criticizing the government," he said.

In a separate interview at the Royal Orchid Sheraton Hotel after the new Cabinet was announced, Prime Minister Chatchai said he was "very happy".

Asked when he would announce his government's policy, he said: "Take it easy. I will do it as soon as possible."

Chatchai Receives Hun Sen's Letter on SNC

BK1512110690 Bangkok BAN MUANG in Thai 15 Dec 90 p 3

[Text] According to a government source, Prime Minister General Chatchai Chunhawan has received a letter from Hun Sen, prime minister of the Phnom Penh regime, who is also a member of the Supreme National Council (SNC), asking Thailand to host another SNC meeting during the third week of this month following the first SNC meeting held recently at the Cambodian Embassy in Thailand.

Hun Sen's 12 December letter, sent to the prime minister from Phnom Penh, says that "on 11 December, Hun Sen sent letters to all members of the SNC to propose another SNC meeting in Bangkok during the third week of December in order to jointly discuss ways to resolve the internal problems of Cambodia as the SNC is a representative of Canmbodia. The SNC will discuss a solution to the issues of the leadership and function of the council during the upcoming meeting."

The letter of the prime minister of the Heng Samrin regime said that because the first SNC meeting in September still failed to reach any conclusion, he would like to propose another meeting in Bangkok as soon as possible and would like to ask the Thai prime minister to help arrange facilities and a venue for the meeting.

Malaysian King Arrives for 17-21 Dec Visit

BK1712112290 Bangkok Voice of Free Asia in Thai 1030 GMT 17 Dec 90

[Excerpt] The king and queen of Malaysia are paying an official visit to Thailand as guests of their majesties the king and queen from 17 to 21 December. They will be in Bangkok from 17-19 December and in Chiang Mai from 20-21 December. At noon today they arrived in Bangkok. At 1340 they were given the key to the city of Bangkok by the Bangkok governor at a function at the city plaza. The Malaysian king and queen will stay at Baromphiman Hall while in Bangkok. At about 1630 today they called on their majesties the king and queen at Chitlada Palace. Tonight their majesties will host a dinner in honor of the Malaysian royal visitors at Dusit Grand Hall. [passage omitted]

Vietnam

VNA Interviews Foreign Minister on Cambodia

BK1412163090 Hanoi Domestic Service in Vietnamese 1430 GMT 14 Dec 90

[Interview with Foreign Minister Nguyen Co Thach by an unidentified VNA correspondent on "matters centering around the Cambodian situation"; place, date not given—read by announcer]

[Text] [VNA] Could you comment on the draft agreement on Cambodia prepared on 28 November by the five permanent members of the UN Security Council in coordination with Indonesia, which is a cochairman of the PICC [Paris International Conference on Cambodia]?

[Nguyen Co Thach] Vietnam welcomes the five permanent members of the UN Security Council and the two countries serving as cochairmen [of the Paris Interntional Conference on Cambodia] for having exerted great efforts to draft a comprehensive political solution to the Cambodian issue. I have these two observations:

1. These documents decide a comprehensive solution to all matters concerning the international aspect, as well as those internal issues concerning Cambodian sovereignty. Vietnam holds that those proposals set forth in the draft agreement prepared by the five permanent members of the UN Security Council and the two cochairmen countries over matters concerning the international aspect of the Cambodian issue have no big residual problems which may obstruct reaching an agreement. The fact that these documents decide on the internal issues of Cambodia constitutes a violation of the goal and principles of the UN Charter concerning the sovereignty of UN member countries. By virtue of the UN Charter, the Paris International Conference on Cambodia and the United Nations only have the right to decide on matters concerning the international aspect of a Cambodian solution. As for those matters concerning Cambodian sovereignty, they must be decided by the Cambodian parties themselves. Vietnam will respect all decisions of the SNC [Supreme National Council] over internal issues concerning Cambodian sovereignty.

2. The genocide issue is one of the two most pivotal issues concerning Cambodia. This matter has been put forward at various regional and international conferences on Cambodia—including at the United Nations—that have been held to discuss a solution to the Cambodian problem, such as JIM-1 and JIM-2 [Jakarta Informal Meeting-1 and 2], the August 1989 Paris conference, the 43d and 44th UN General Assembly resolutions, and the February 1990 ASEAN-EEC joint statement. But the 26 November documents of the five permanent members of the UN Security Council and the two cochairmen countries have no points touching on the need to eliminate forever the genocidal regime. Any solution to the Cambodian issue that does not mention the genocide problem will constitute a violation of the 1948 UN Charter on preventing and punishing genocidal crimes and a betrayal of millions of victims of the genocidal Pol Pot regime. This goes against the aspirations of the Cambodian people and of other countries in the world and is at variance with the UN Convention on Genocidal Crimes.

[VNA] Some are of the opinion that as Phnom Penh and Vietnam have rejected the draft agreement of the five UN Security Council members and of the two cochairmen of PICC, this constitutes a retreat from the previous stance.

[Nguyen Co Thach] Vietnam welcomes the efforts of the five permanent members of the UN Security Council in shaping a framework document for a Cambodian solution. The international aspect of the Cambodian issue as shown in the 26 November 1990 draft agreement basically reflects those agreements already reached at the two informal meetings in Jakarta and at the Paris international conference on Cambodia. But it still fails to mention the question of eliminating forever the genocidal regime in Cambodia. We think that the Paris International Conference on Cambodia, once reconvened, will perfect those agreements over the international aspect of the Cambodian issue. Now, as always, Vietnam's unchanged position is that all international issues concerning Cambodia must be decided by the Cambodian people themselves without foreign interference or imposition. This is one of the principles contained in the UN Charter. Therefore, it cannot be said that there is a retreat in the stance of the State of Cambodia. The draft agreement of the five permanent members of the UN Security Council and the two cochairmen newly made public in Paris, however, is precisely a step backward, given those already agreed upon at JIM-1 and JIM-2 and at the August 1989 Paris International Conference on Cambodia dealing with the genocide issue and the question of respecting Cambodian sovereignty.

Last year at the Paris conference, various plenary sessions failed to discuss the internal problems of Cambodia and only the Cambodian parties discussed these problems among themselves.

[VNA] There are the views that if the Cambodian parties could not solve their internal problems among themselves, then it would be necessary for the United Nations to intervene. Where would the Cambodian issue end up if the United Nations did not intervene?

[Nguyen Co Thach] The internal affairs of a sovereign nation should be solved by that nation without outside intervention. If the people of that country could not solve their internal problems, it would be even more impossible for other countries and the United Nations to do so. If the United Nations intervenes at that point, first of all, it would mean the United Nations is violating the UN Charter. This would lead to grave consequences all over the world. Meanwhile, intervention by the United Nations would make the issue more complicated and the

United Nations itself would become bogged down in that issue indefinitely. Moreover, this could create a precedent, damaging the prestige of the United Nations itself and raising concerns within other UN member countries that the United Nations could interfere in their own internal affairs.

Creating such a precedent would be highly dangerous, because none of the 159 UN member countries—including the five permanent members of the Security Council and two cochairmen of PICC—is known to have no internal problems or internal armed conflicts that have dragged on for decades or even hundreds of years.

[VNA] What would be the consequences of a violation of the UN Charter?

[Nguyen Co Thach] Article 1 of the UN Charter points out that its objective is to preserve world peace and security; oppose all acts of aggression; develop relations of friendship among nations on the principles of equality and the right to self-determination of nations; and promote international cooperation in solving international economic, social, cultural, and humanitarian issues. Article 2 of the UN Charter clearly stipulates the seven principles for the activities of the United Nations, including the principle prohibiting it from making any decision on issues that are related to the sovereignty of various countries.

A violation of the UN Charter will undermine the existing bases and noble activities of the United Nations Organization, as well as the regulations reserved for the five permanent members of the UN Security Council. Moreover, violating the UN Charter would constitute a threat to the interests of more than 150 UN member countries. All countries have an interest in and an obligation to safeguard the UN Charter against all violations.

[VNA] There are some who view Vietnam's dispatch of troops to Cambodia as a violation of the UN Charter. Therefore, people can no longer criticize the violation of the UN Charter.

[Nguyen Co Thach] First of all, it must be pointed out that it was the genocidal Pol Pot clique which waged a war of aggression against Vietnam at its southwestern border. After Vietnam failed in its many efforts to hold negotiations, Vietnam was compelled to exercise its legitimate right of self-defense in accordance with Article 51 of the UN Charter. In World War II, it was the Soviet Union, the United States, Britain, and France which exercised their legitimate right of self-defense by sending troops to Berlin to destroy the fascist regime right at its root.

The Cambodian issue existed long before Vietnam exercised its right of self-defense in 1978. In its war of aggression against Vietnam, the United States turned the entirety of the three countries of Vietnam, Laos, and Cambodia into a battlefield. After this war, the Pol Pot clique adopted a policy of genocide for many years, beginning from 1975. In September 1989, Vietnam withdrew all of its troops from Cambodia. After the complete withdrawal of Vietnamese troops, the Cambodian issue remains unsolved. This is because the genocidal regime—which existed even before the dispatch of Vietnamese troops to Cambodia—continues to be the key present danger threatening the Cambodian people.

When talking about violation of the UN Charter, we must say that over the past 45 years, many permanent members of the UN Security Council have taken turns to send troops to carry out acts of aggression against Vietnam, Laos, and Cambodia, thus grossly violating the UN Charter. We hold that the five permanent members of the UN Security Council, which uphold the right of veto, must observe the UN Charter even more scrupulously. They cannot abuse their power as permanent members of the UN Security to violate the UN Charter. This abuse of power will lead to the reconsideration of the regulations of the five permanent members of the Security Council—the five big powers which won victory in World War II and which have been accorded special right toward the defeated countries—Germany, Japan, Italy, and their allies.

In today's international relations, big and small countries are all equal. The right of veto of five countries against more than 150 others is unacceptable.

[VNA] Does Vietnam want the United Nations to play an important role in solving the Cambodian problem?

[Nguyen Co Thach] Vietnam favors the very important role of the United Nations over the Cambodian issue. But this role must lie within the framework of the UN Charter on the basis of respecting Cambodian independence and sovereignty and within the framework of those agreements reached among those countries attending the Paris International Conference on Cambodia.

[VNA] What contribution has Vietnam made to a political solution to the Cambodian problem?

[Nguyen Co Thach] The complete withdrawal of Vietnamese troops from Cambodia is a great contribution to a comprehensive political solution to Cambodia. The other side has not made any reciprocal actions. On the contrary, they have capitalized on the Vietnamese troop withdrawal in order to increase their military aid, and the Khmer Rouge has stepped up military activities in the hope of reinstalling its genocidal regime in Cambodia. The complete withdrawal of Vietnamese troops shows Vietnam's determination to solve the Cambodian problem through political means.

[VNA] Could you, Comrade, speak of the possibility of achieving a solution to Cambodia in the period ahead?

[Nguyen Co Thach] I think the greatest obstacle to a comprehensive solution to this issue is the internal problems of Cambodia. Vietnam holds that Cambodia's internal problems must be decided upon by the Cambodian parties themselves. Vietnam and other countries must respect the decisions made by Cambodian parties concerned. On 11 December 1990, Council of Ministers Chairman Hun Sen wrote to all of the SNC members, calling on them to resume the SNC meeting in Bangkok by the third week of December to solve the internal aspect of a comprehensive political solution to Cambodia. We hope the meeting will be successful so a Paris international conference can soon be convened.

[VNA] If the SNC fails to solve the internal problems of Cambodia and the civil war continues, then what measures should be taken?

[Nguyen Co Thach] It is desirable that foreign countries terminate their interference and let the SNC peacefully solve Cambodia's internal problems. I am firmly convinced the State of Cambodia has a strong sense of determination and goodwill to peacefully solve Cambodia's internal problems. The other side should terminate the use of their military to solve Cambodia's internal problems. If the SNC fails to solve this, foreign countries should try to materialize the Soviet-U.S. appeal to end their military aid to all Cambodian parties. At the same time, foreign countries should terminate all kinds of support for Cambodian parties and all their interference in the internal affairs of Cambodia. I think the Cambodian war should be characterized entirely as an internal affair of Cambodia. If this is done, the Cambodian civil war in no way can prolong and develop into a large war. This is the only way to create external conditions for peacefully solving the internal issues of Cambodia.

[VNA] Do you have any comments on the precondition set by the United States and China that they will normalize relations with Vietnam only after the Cambodian issue is settled?

[Nguyen Co Thach] Normalizing relations between Vietnam and China and between Vietnam and the United States is beneficial to both sides. If this were only beneficial to Vietnam, then why, after Vietnamese troops were completely withdrawn, did they set another condition that they will do so only after the Cambodian issue is settled? Once the Cambodian issue is settled, if they do not want the normalization, China and the United States will find another reason to delay their normalization of relations with Vietnam, or if there is a normalization, it will be unstable. If China and the United States are really interested in normalizing relations with Vietnam, then this should happen before the Cambodian issue is settled, as was the case with the EEC and some other ASEAN countries.

Just as it was with the Soviet Union, China demanded that the Soviet Union solve the three obstacles including the Cambodian issue as a condition for normalizing bilateral relations. But China has, in fact, had normalized relations with the Soviet Union for several years now at a time when the Cambodian issue has thus far not yet been settled. Vietnam is firm in its policy of normalizing relations with China and restoring the traditional relations of friendship between the two fraternal countries. Vietnam is ready to set aside the question of pros and cons, trying to look into the future and to normalize relations with the United States for the benefit of the two peoples.

Daily Rejects Statement by Its Editor in Chief

BK1512105290 Hanoi International Service in English 1000 GMT 15 Dec 90

[Text] The National Daily NHAN DAN on Saturday rejected a statement made by Bui Tin in an interview with BBC Radio which interviewed Tin as deputy editor in chief of NHAN DAN.

NHAN DAN recalled that Bui Tin was sent to France to attend a meeting of the French paper L'HUMANITE. After that, he asked to stay for two months more for medical treatment.

NHAN DAN said: Bui Tin's statement only reflects his individual view which completely contradicts the party's newspaper stand. His appeal in the statement, the paper added, contains many misrepresentations of the party and state lines and policies.

Further on Editor's Statement

BK1512123790 Hanoi Domestic Service in Vietnamese 1100 GMT 15 Dec 90

[Text] On the evening of 28 November, the BBC broadcast a so-called appeal by a citizen named Bui Tin, also known as Thanh Tin, whom the radio introduced as deputy editor in chief of NHAN DAN. The BBC then broadcast a series of interviews with Bui Tin.

The editorial staff of NHAN DAN finds it necessary to make the following clarification:

1. Bui Tin was sent by NHAN DAN to Paris to attend a meeting of the French paper L'HUMANITE. After that, he asked to stay for two more months for medical treatment. Bui Tin's remarks aired over the BBC are his individual views and contradict the stand of NHAN DAN.

2. The contents of the appeal of Bui Tin and his answers in the inverviews with the BBC contain many points that distort our party and state policies and lines.

3. By his actions, Bui Tin has shown that he no longer maintains the standards of a deputy editor in chief of NHAN DAN or of a journalist.

The NHAN DAN editorial staff hereby resolutely condemns this action by Bui Tin.

The NHAN DAN editorial staff takes responsibility before all the comrades and compatriots nationwide for any failures in its cadre management.

Chairman Do Muoi Receives U.S. Economists

BK1512101790 Hanoi VNA in English 0745 GMT 15 Dec 90

[Text] Hanoi VNA Dec 15—Chairman of the Council of Ministers Do Muoi has received a delegation of economists from Harvard University, Bucknell University, and the University of California led by Professor Miller Cale [name as received] on a working visit to the Vietnam Institute of Social Sciences.

The guests informed Chairman Do Muoi of the world economic issues and international relations. They also exchanged views with Chairman Do Muoi on the socio-economic development of Vietnam, and expressed their wish to broaden cooperation on economics with Vietnam.

During its two-day visit here (December 9-10), the delegation had working sessions on economic issues in the world, particularly in the region and Vietnam, the U.S.-Vietnam economic cooperation, and cooperation between the U.S. and Vietnamese economists with the Vietnam Institute of Social Sciences, the Central Institute for Economic Management, the External Relations Institute under the Foreign Ministry, the Hanoi University, the Social Sciences Institute of Ho Chi Minh City, and others.

Do Muoi Receives Outgoing Romanian Ambassador

BK1412035690 Hanoi Domestic Service in Vietnamese 1430 GMT 12 Dec 90

[Text] On 11 December, Do Muoi, chairman of the Council of Ministers, received Dumitru Gheorghe, Romanian extraordinary and plenipotentiary ambassador to Vietnam, who paid a courtesy visit to the chairman at the end of his tour of duty here.

Chairman Do Muoi had cordial talks with Ambassador Gheorghe.

Do Muoi Attends Physicians, Pharmacists Congress

BK1612115690 Hanoi Domestic Service in Vietnamese 2300 GMT 15 Dec 90

[Text] On 14 and 15 December in Hanoi, the Federated Association of Physicians and Pharmacists of Vietnam held its 11th National Congress.

More than 350 deputies representing more than 40,000 members of 39 local associations of physicians and pharmacists and 22 central associations of specialists attended the congress.

On the morning of 15 December, the Chairman of the Council of Ministers Do Muoi attended and talked to the congress.

The congress heard reports from the Executive Committee for the 1985-1990 term of the federated association and approved the five-year planning programs for 1991-1995.

The congress also passed the renewed regulations of the federated association and elected its new executive committee of 65 members.

Trade With USSR, Europe, Indochina Viewed

BK1612153690 Hanoi VNA in English 1446 GMT 16 Dec 90

[Text] Hanoi VNA December 16—"The Soviet Union, Eastern Europe, Laos and Cambodia remain our important markets," said Professor Phan Van Tiem, head of the State Pricing Commission, at a recent Vietnam-FRG Symposium on market economy jointly held by the Institute for Market and Price Research of Vietnam and the Konrad Adenauer Foundation of the Federal Republic of Germany.

He said:

"Fundamental changes are taking place in the Soviet Union and other East European countries, including their trade relations with Vietnam. Vietnam will try to adapt itself to the new market situation.

"Vietnam's main export lines to the Soviet Union and other East European countries remain agricultural, forestry and aquatic products which can hardly be exported to Southeast Asia and which the FRG and other EEC member countries are not ready to buy."

Mr. Tiem further said that Vietnam is endeavouring to broaden its market to other countries in the region and also looks for quotes from the FRG and other countries.

Asked by Professor Dr. Gernot Gutmann, director of the Koln University (FRG) on the transformation of state-run enterprises into joint-stock enterprises, Pham Van Tiem said that this is an inevitable trend and it is being test applied at some units.

He said that Vietnam is laying the groundwork for a stock market and would broaden it eventually.

"However, we cannot institutionalise the stock and bond system right away. In this new field, we have much to learn from your experiences," he added.